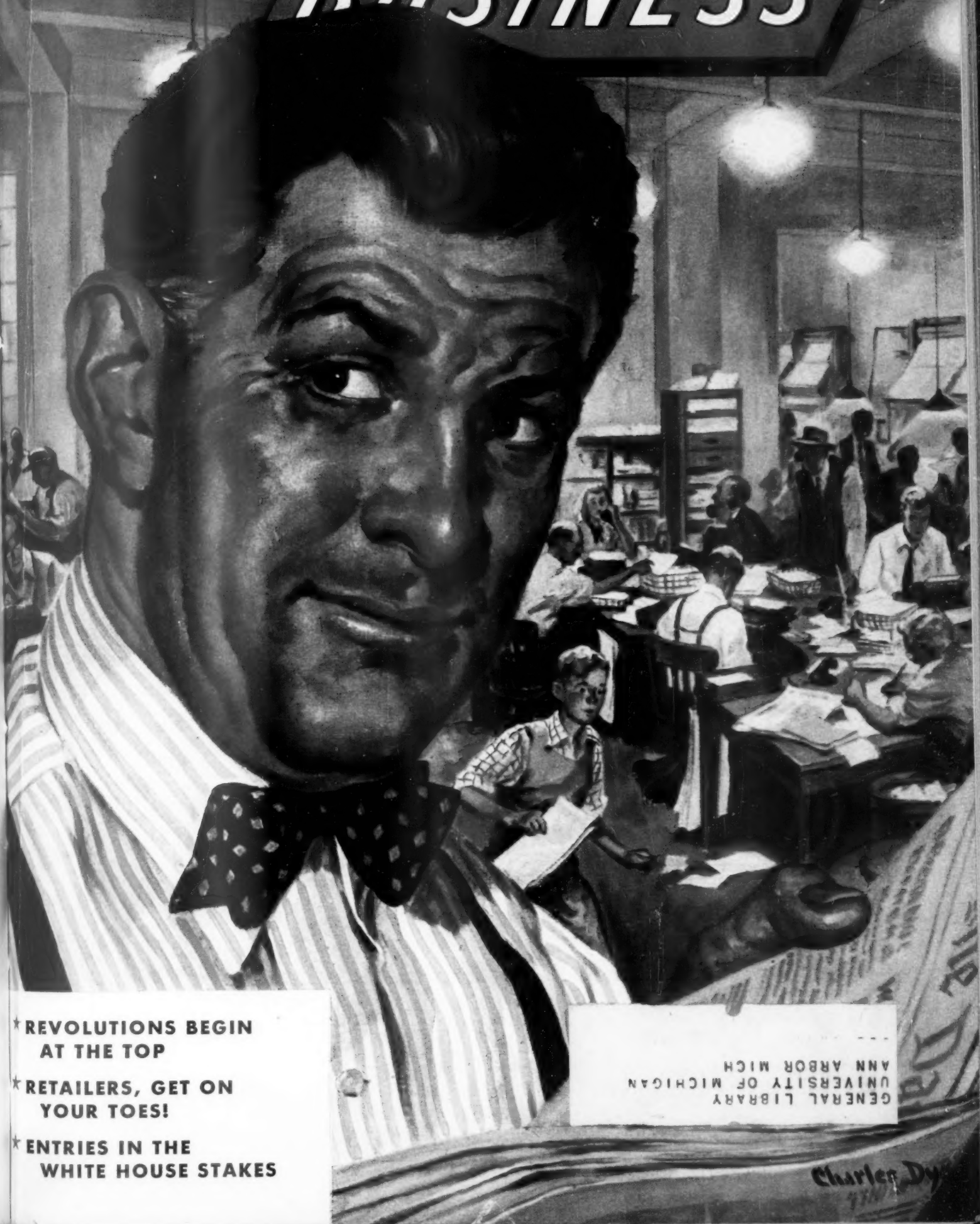


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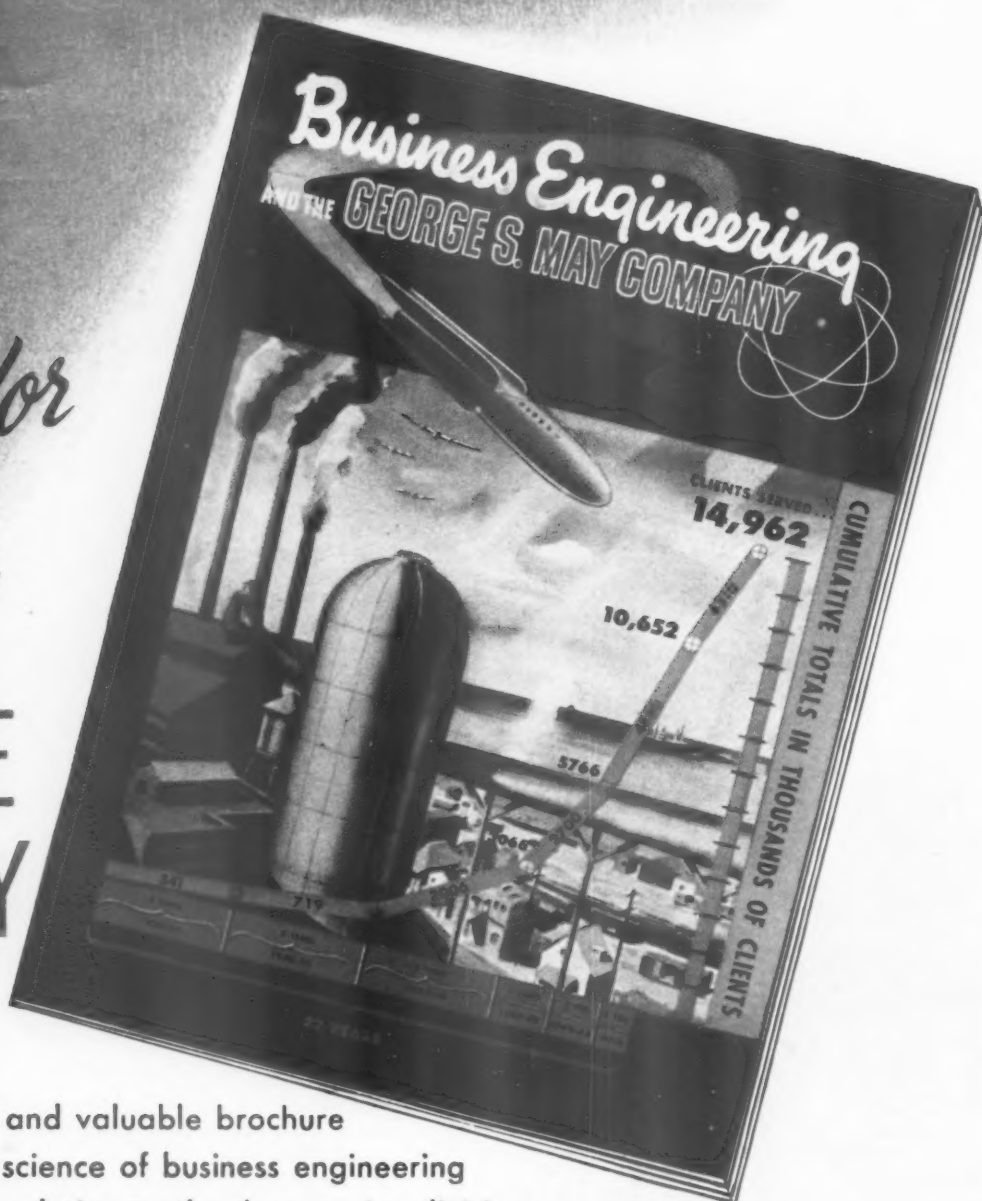
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Nation's Business



PUBLISHED BY

CHAMBER OF COMMERCE OF THE UNITED STATES

VOL. 35

FEBRUARY, 1947

NO. 2

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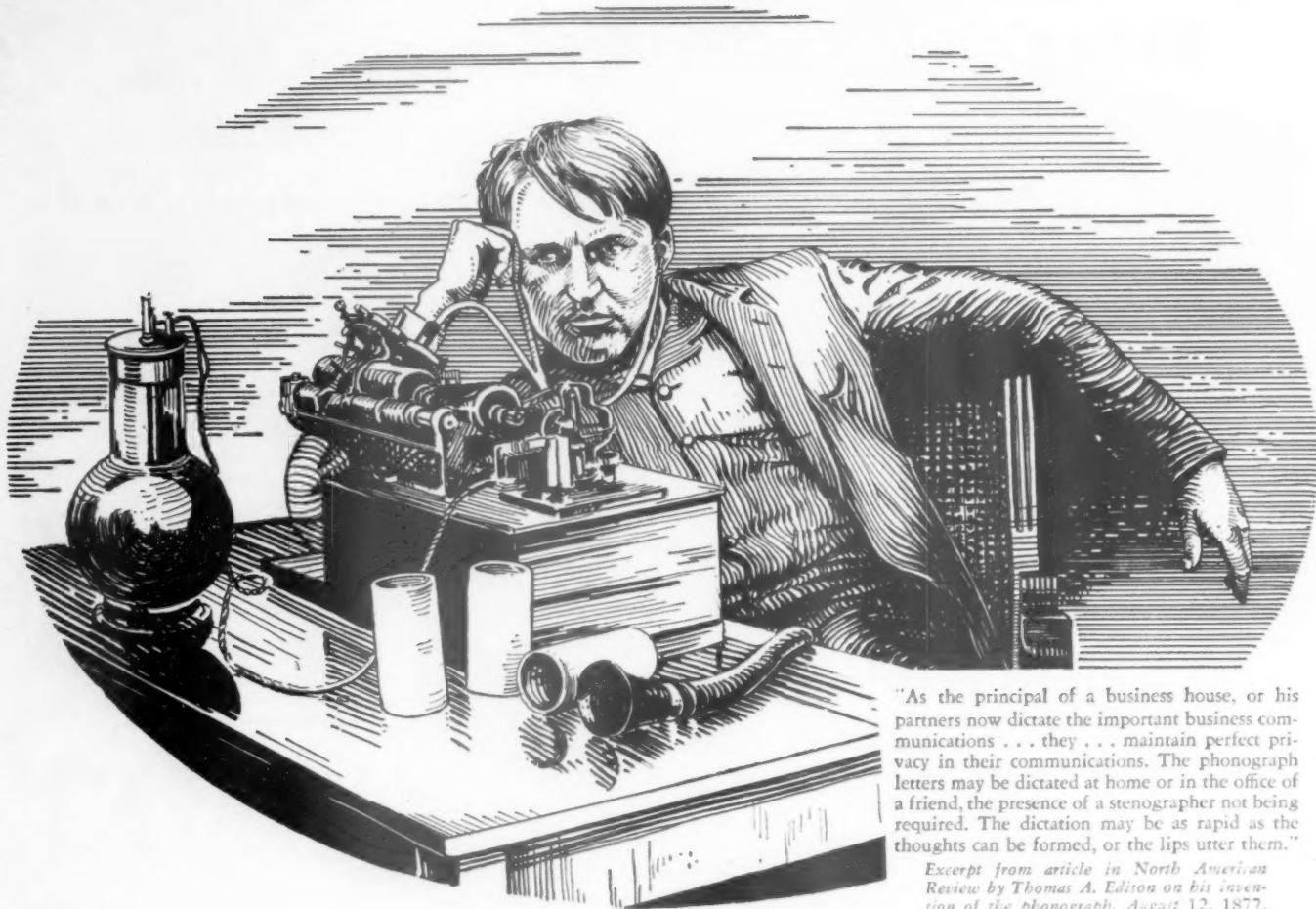
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Excerpt from article in North American Review by Thomas A. Edison on his invention of the phonograph, August 12, 1877.

The Man Who Didn't Need A Monument . . .

The times we live in might well be called the "Age of Edison." For no one ever influenced an age so much.

The man who trapped sound and turned darkness into daylight left hundreds of inventions that have bettered Humanity. But more important, he opened a door through which future inventors and scientists could walk.

Now—one hundred years after Edison's birth, new achievements through Electronics . . . new achievements utilizing the electrical force he harnessed—are daily creating "living monuments" to his genius.

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About Our Authors

J. M. Lalley: for many years a student of the French Revolution and a firm believer that "Revolutions Begin at the Top," page 37, has been in journalism since 1916 with one exception—he tried his hand at the advertising profession from 1925 to 1931. In 1937 Mr. Lalley became an editorial writer and literary editor for the *Washington Post*. He is the author of "The Nature of Authority."

S. Burton Heath: has drawn on his more than 30 years' experience on weekly and daily newspapers, press associations and syndicates to present his views on "The Press is Freedom's Skirmish Line," page 44. Sandwiched in his journalistic career have been times out to manage a couple of political campaigns and advise on publicity for others. In 1939 he won a Pulitzer prize for his investigations which led to the trial and conviction of New York's Judge Manton.

J. Lacey Reynolds: got his start as a newspaperman with the *Nashville Evening Tennessean* in 1932. Leaving Nashville in 1934, he moved to Washington to join the staff of the *Herald*. One year later he left the *Herald* for a news syndicate. Since 1938, with the exception of World War II service as military and press attaché at the Chungking Embassy, he has been a correspondent for a group of newspapers. Last fall Mr. Reynolds toured France, the American zone of Germany, and England and found out about "A Journey Through Socialism."

J. Parker Van Zandt: author of "Flying Dollars—Key to a New World," page 50, is a pioneer airline economist and executive. He helped to prepare the original Air Commerce and Air Mail Act in the early '20's, has served as aviation adviser to the Civil Aeronautics Board and other government agencies, has directed the Department of Commerce's Office of Air Transport Information. Since 1943 he has been director of aviation research for Brookings Institution.

The Cover: was painted by Charles Dye, from sketches made in the city room of the Washington (D. C.) *Daily News*. This scene is perhaps typical of the industry which has been growing and serving the public since 1784 when the *Pennsylvania Packet and Daily Advertiser*, the first successful daily newspaper in America, was founded. Today, nearly 1,750 morning and evening English language daily newspapers serve more than 48,000,000 subscribers.

STATEMENT OF CONDITION

December 31, 1946

| RESOURCES | | TOTALS |
|--|----------------|-----------------------|
| Cash and Due from Banks | 162,856,774.27 | |
| United States Government Securities Direct and Fully Guaranteed | 242,418,109.52 | |
| State, Municipal and other Public Securities | 65,242,100.59 | |
| Other Bonds and Securities | 11,701,331.87 | 482,218,316.25 |
| Loans and Discounts | | 167,222,704.31 |
| Federal Reserve Bank Stock | | 555,000.00 |
| Bank Buildings, Vaults, Furniture & Fixtures | | 2,367,316.20 |
| Interest Earned not Received | | 1,302,613.31 |
| Customers Liability Under Letters of Credit and Acceptances | | 3,051,501.26 |
| | TOTAL | 656,717,451.33 |

| LIABILITIES | | |
|------------------------------------|---------------|-----------------------|
| Capital Stock | 10,000,000.00 | |
| Surplus | 8,500,000.00 | |
| Undivided Profits | 3,737,641.46 | |
| Reserves for Contingencies | 4,807,861.24 | 27,045,502.70 |
| Reserves for Interest, Taxes, etc. | | 1,633,242.42 |
| Discount Collected Not Earned | | 423,069.74 |
| Letters of Credit and Acceptances | | 3,051,501.26 |
| Deposits | | 624,564,135.21 |
| | TOTAL | 656,717,451.33 |

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NB Notebook

Census

IN CASE you are called on a quiz program it might be well to recall that February derives from *Februa*, the Roman festival of general expiation. The custom was said to have been instituted by *Servius Tullius*, Roman King, in 566 B. C., who put the wall around the Seven Hills. A solemn offering was made by one of the censors in the name of the Roman people at the conclusion of the census.

Application to our own times suggests that we might reverse this "Read 'em and weep" formula to one of "Count 'em and rejoice." Census data were never so urgently needed in view of population, income, trade and other shifts brought on by the war. They ought to be accurate, practical and complete as possible, or a lot of business men figuratively will put on mourning clothes.

Plaudits for planners

ECONOMIC planners have been under such vigorous attack from many business quarters that it was remarkable to witness the reception accorded the first report of the President's Council of Economic Advisers headed by Dr. Edwin G. Nourse of Brookings Institution. Some of the comment from business leaders was that here, at last, was common sense. "The era of funny answers is over" was one typical verdict.

The Council was set up under the Employment Act of 1946, passed just about a year ago in what was called a greatly "watered-down version." The Council members state firmly, however, that they do not consider the legislation weak or meaningless. On the contrary they admire both its flexibility and vigor as a means of achieving maximum production, employment and purchasing power.

"Rugged individualists" will find

small comfort in the treatment given the Spartan or *laissez-faire* method of dealing with the ups and downs of business. Nor will supporters of the Roman system of "bread and circuses" financed by the Government.

What the Council goes for is a middle view, a system of mutual adjustment under our democratic system.

Ten per cent for export

WHEN business shows signs of slackening, there are sudden signs of interest in what can be done to expand export sales. From some obscure office in the organization headquarters, a harried individual bearing the title of export manager is called forth to give his account of possibilities.

R. W. Gifford, board chairman of the Borg-Warner International Corporation, believes this is all wrong and that, if individual firms want the benefits of export trade, they must plan on an intelligent basis to obtain their share. He insists that this means planning by top management.

And here is the important part of his advice. If the decision is reached that export business is wanted, then definite allocations must be made to the foreign distributor which must be observed regardless of domestic needs. Nailing down this point, he told members of the American Marketing Association that Borg-Warner allocates ten per cent of all production to foreign sales.

Historians on business

MARQUIS JAMES, winner of two Pulitzer prizes, believes that business has itself to blame for not getting a "fair shake" from historians. In his comment and acknowledgments to "The Metropolitan Life, a Study in Business Growth," just published by the

Viking Press, he explains that the historian for his story of big corporations must draw mainly from two sources—what the companies say about themselves and what the exposé school of history relates.

The company literature, he wryly suggests, is to be trusted just about as much as partisan political literature. The muckrakers, of course, dealt with little but the sins of business.

"From the whole," writes Mr. James, "the impartial chronicler makes up his account, and I think the result may be less favorable to business than the facts warrant."

The story of the Metropolitan Life Insurance Company, biggest business in the world, was done under happier auspices. A top rank author was given a free hand to write, for pay, the history of the company. He was able to retain researchers of his own and obtained every assistance from company executives.

Credit men, too

"LESS shine and more leather" is the word that has gone forth to salesmen for the months ahead. The shine refers to the back of their pants and the leather to their footgear. Credit executives sit down to their tasks. The selling admonition, therefore, might be changed to "less gay, and more gray matter" because the time when credits could be checked with an airy wave of the hand has passed, too.

Whether the pattern of 1920-21 represents the present course of business or not, there is sad remembrance of those days when business failures shot skywards. The 1920 total of 8,881 was not too high by earlier standards and the liabilities were fairly moderate at \$295,124,000. In 1921, however, the totals had doubled. The number of business casualties had jumped to 18,652 and liabilities to \$627,401,000. The number in 1922 had climbed to 23,676 although the liability wave had receded.

Farm prospects

IT IS NOT only the manufacturer and retailer of apparel and other soft goods lines who worry about their share of the consumers' dollar when quantities of automobiles, refrigerators, washing machines and other durable goods show up in the market, but farmers as well. While hard goods remained scarce, more was spent for

(Continued on page 13)



rowboats on fifth avenue

Imagine enough water to cover Manhattan Island's 22 square miles with a knee-deep flood! That's what the thirty-three million tons of water delivered daily by America's public water supply systems would do.

Based on weight of product, processed and delivered, public water supply is America's largest industry. *In three days*, this indispensable industry delivers more tons of water than the tonnage produced by the steel industry in a year!

Over 95% of the underground mains, through which this enormous amount of water is distributed, are cast iron mains. Cast iron pipe is the standard material used in the construction of water distribution mains because it serves, and has served, for centuries.

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food. In fact the percentage of disposable income spent for food jumped to 26 per cent last year compared with 23 per cent of a much smaller income in 1939.

This is one of the important reasons why agricultural economists are dubious about the outlook for farm product prices. Reduced military and relief needs have cut down the demand, too, while mechanization has greatly expanded the supply. Under average weather conditions now, farmers can produce from one-quarter to one-third more than in prewar years. By 1950 it is estimated that there will be one tractor for every two farmers and attachments galore.

But agriculture may be passing merely through the stages that industry has traveled, and learning how to make more money by selling more of its produce at lower prices. It has a population increase of 9,000,000 since 1939 to help it out, and intensified efforts to raise the national standard of diet.

"Can I help you?"

"WHAT Every Clerk Should Know" is a booklet put out by the National Association of Retail Grocers with material drawn from some 14 big companies and organizations. It covers most of the duties a clerk performs in a food store, from sweeping out to arranging displays and pricing merchandise. A lot of good common sense, as well as technical knowledge, is packed into its pages.

Thus, on gossip: "Don't gossip. Either to customers or others on the staff. Take your troubles to the boss. Don't talk behind his back. Don't sell your job down the river — 'Love it or leave it.'"

A section on using the telephone ought to be broadcast widely. The clerk is advised to keep the voice low with rising inflections for emphasis, and to speak naturally. "Investigations prove," says the manual, "that the customer not hearing clearly most often replies, 'No, I think not today' rather than ask you to repeat the question."

Tax take

BUSINESS usually raises the greatest clamor about taxes although it is the ultimate consumer who pays the bill in most cases because the tax is passed along in prices. It will be interesting to see what comes of the effort to impress upon the ordinary citizen just what he pays out directly and indirectly in taxes. Various estimates



HOW TO KEEP AN EYE ON Costs

An amazing precision instrument developed by Cities Service research is helping industry save thousands of dollars in power and heat.

A typical example is a recent check-up of the furnace gases in a boiler at a plant in Niles, Michigan. This unique device, the Cities Service Heat Prover, uncovered a glaring example of preventable waste in just a few minutes. Fuel loss for this boiler amounted to almost 17% . . . and smokestack temperatures were found to be abnormally high with attendant loss of heating efficiency.

Experimentation with the stoker operation showed that an uneven fire bed caused holes to burn through down to the edges of the grate. This permitted excess air to circulate in the combustion chamber

without mixing with the gases from the burning coal.

By covering the grate evenly with coal to eliminate these holes, and firing every 30 minutes, the waste was eliminated—resulting in a saving of 3,000 lbs. of coal per day.

The patented Heat Prover is portable and flexible in application. Serving industry like a magic eye, it searches out waste wherever combustion is involved—in furnaces, oil burners and heat-treating furnaces—in aircraft engines while in flight and in Diesel and Jet engines.

If you would like to know exactly how efficiently YOUR equipment is harnessing fuel energy, the Cities Service Heat Prover can tell you. Just mail the coupon below for a free demonstration.

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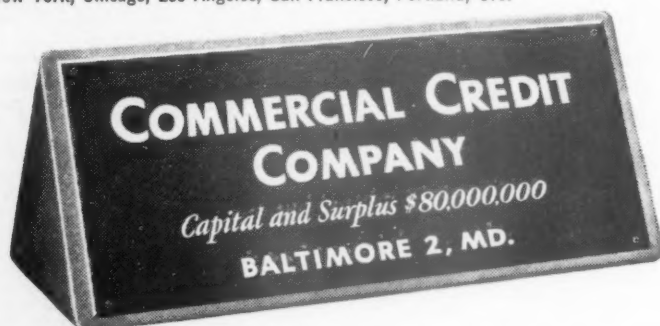
The booklet gives complete information about the advantages of our plan. We'll be glad to mail you a copy. Just write the nearest Commercial Credit office listed below. Ask for booklet HI-2.

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have been made. The Institute of Life Insurance calculates that nearly \$1 out of every \$3 in income is collected by national, state and local government. Every family pays \$1,300 a year.

It should not be too difficult in the light of these figures to make citizens "tax conscious" as the propaganda experts put it. Nevertheless so much of the taxation is indirect that John Doe never gets too concerned. Moreover, he has been readier to pay higher personal taxes with little complaint because his income has also expanded. Per capita income more than doubled from 1939 to 1945 or from \$539 to \$1,150.

If indirect taxation were shifted to a direct basis by eliminating or greatly reducing corporation taxes, there might be more popular interest in reducing government expenditures, some authorities believe.

Basic wage

AS THE EARLY preparations got under way several weeks ago for the negotiation of new labor contracts in the steel industry, it was a bit unusual to read that way off in India, the big steel company there had revamped its wage set-up along lines that finally may become general practice in industry, if some prophets are right. Tata has fixed a basic wage with profit sharing additions.

Several large American companies have been operating on the same plan and thus eliminated the problem of inflexible rates and charges of "ability to pay" and excessive profits. The unions are not too favorable, of course, to this arrangement and the answer of many company men is, "If they share the profits, what about sharing the losses, too."

The answer made to the unions is that a contented man is not necessarily a poor union member. Management men hear the reply that their plant and machines are not taxed for losses.

Television doubts

ACCORDING to some estimates, 1,000,000 television sets will be produced this year and friends of the industry are a bit concerned about whether this would represent solid progress or speculation. Since this is a new industry, the progress is not likely to prove too solid or it would establish an unusual precedent.

The trouble, of course, is that a television set is not a simple mechanism and requires expert

manufacture, expert installation and expert servicing. Moreover, the sending signals are still limited to the horizon and therefore have sharper limitation upon audience reception than the early radio.

Programming is another subject of professional discussion, along with claims that the new device may relegate newspapers and radio to the ash heap. What seems to be true of this newcomer is that it will struggle through its early days in much the same way as both newspapers and radio, and finally gain its proper place in the scheme of things without much damage to any of its older competitors.

Delivery density

MACY'S department store in New York had three studies made of its delivery service before it gave up its own fleet. Two of these surveys came up with opposite answers, one that money could be saved and the other that it would cost considerably more. The third brought in a new factor, density. A great volume of deliveries handled by one operator will always be more efficient than the individual delivery operation maintained by a single operator.

As Jack I. Straus, president of Macy's, told stockholders: "Our operation was about 40 per cent of the total United Parcel operation. When we went into United Parcel we undoubtedly increased the efficiency of their operation for their other customers. Because our 40 per cent increased their volume, we increased our own efficiency, and we believe there are very sizable savings in that."



"This is killer McNab for whom they offer \$10,000 reward. Will your bank take him as collateral for a loan?"

THE MAN FROM MARS WAS *Mystified*



"There is a planet-wide trend toward greater decentralization of industry," mused the Man from Mars. "My report states that New Jersey offers a wide range of opportunities for such decentralization. Yet I am puzzled by one passage:

'NEW JERSEY—MIGHTY ATOM OF INDUSTRY
HUB OF THE EASTERN SEABOARD
45TH IN SIZE AMONG THE
STATES IN THE U. S. A.
9TH IN POPULATION. 6TH IN VALUE
OF MANUFACTURED PRODUCTS'

"Such concentration of industrial power would lead any intelligent Martian to assume that New Jersey is cluttered with factories and smokestacks—no place for a stranger with claustrophobia. Where are the small towns?—the open spaces for branch factories or warehouses?
I must see for myself"

THIS IS WHAT THE VISITOR FROM MARS DISCOVERED:

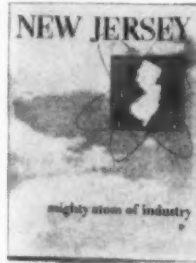
New Jersey's horizon is not a skyline of factory smokestacks. On the fringe of its industrial cities are charming suburban communities, and beyond are the rolling hills, fertile fields and white spires of small-town churches presenting a pastoral landscape. Of the State's 565 communities, 417 have less than 5,000 population; 41 towns between 10,000 and 20,000.

Many of these small towns have industrial backgrounds dating back a century or more. Some have, within their own boundaries, the raw materials for specialized operations. There is an abundance of pure water for industrial purposes and ample electric power at favorable rates. As to proximity to America's richest markets, there is hardly a town in New Jersey that is more than 50 miles from either New York or Philadelphia.

Workers in these small towns are versatile, productive, dependable. Most of them own their own homes. They have a stake in their hometown prosperity . . . not only as workers, but as homeowners and taxpayers. The friendly climate for industry is genuine and widespread throughout New Jersey. Local co-operation finds expression in many favorable ways. If your immediate or future plans embrace a new location, let us provide you with complete more details in line with your specific requirements.

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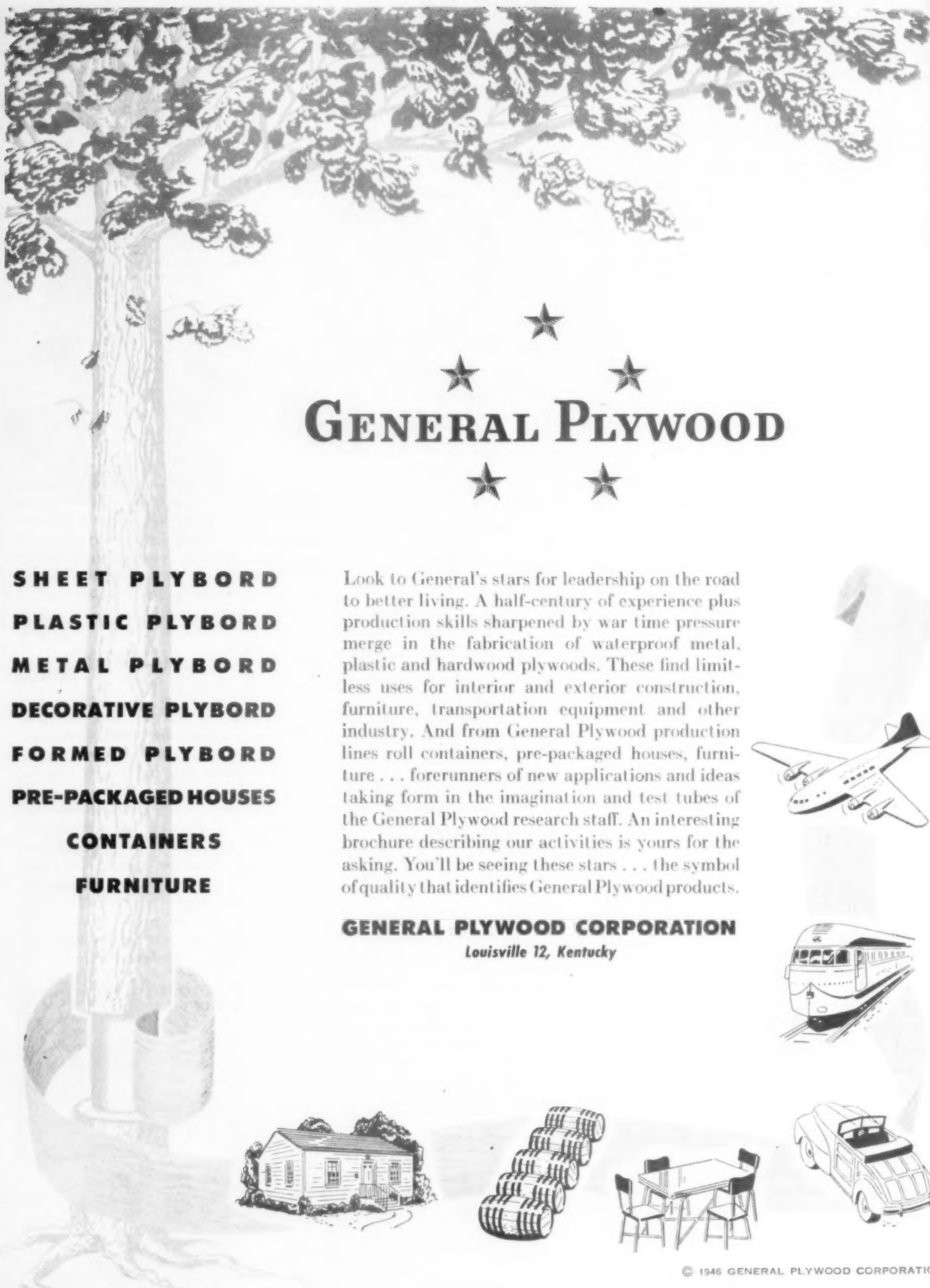
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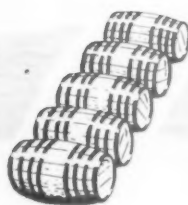
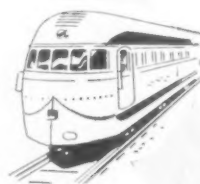


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MANAGEMENT'S

Washington LETTER

► **RECESSION SIGNS RISE** in the midst of boom.

Business failures increase as employment, production run at record levels.

Used car prices break 15 to 25 per cent, and at the same time Cadillac discloses its new car output for 1947 was sold when the year opened.

Wheat quotations hit new peaks, and citrus growers complain their fruit isn't bringing the cost of producing it.

Housewives notice lower food-basket costs, yet wholesale prices indicate further rise in many department store items.

Demand for meats has never been higher, but Armour & Co. has set aside \$9,500,000 for inventory reserve—a cushion against price breaks.

What do these seemingly conflicting trends mean?

Some of the meaning is clear. The long-heralded postwar recession is here in some lines. It's close in some. It's a long way off in others.

It's here for stock investors forced to sell in a market 25 per cent below the average level nine months ago.

It's here for used car dealers—and others—caught with big inventories and falling prices.

It's close for many food items—the offers of smart traders in futures show.

It's close for many new manufacturing concerns that mushroomed during the war-time and immediate postwar buy-everything days, particularly in the clothing, furnishings and housewares lines.

Their outlets tend to go back to pre-war suppliers as these are able to meet their needs.

"More reliable," say buyers. "We can depend on them."

The recession may be close for many new metal working plants, too. Tools and dies, for example.

Their output was critically important during war. Now many are idle as materials shortages cause manufacturers to shelve model changes, new products.

Recession is a long way off for the big, basic industries.

Their markets are limited only by their ability to produce, and there's no

serious indication at hand that this limit will be low.

Automobiles and construction, for example, don't think they possibly could be priced out of this year's market.

Over-all, conflicting trends in today's economy may mean gradual readjustment without serious dislocation—without widespread recession.

Even plants headed for failure are well-financed for the journey. By using up operating capital made during the war they may close gradually, not abruptly.

Readjustment in the personal things you buy will be gradual, and will indicate industrial changeover.

Shirts at \$3.50 or so will soon be back on the market in volume. Many men who have been wearing \$5 or \$6 shirts because that's all they could get will buy shirts at not much above the price they paid customarily before war.

Thus your own clothing costs can go down while the market still is rising.

► **NOTE THE unions'** sensitivity to the economic trends.

Union economists caught the break in food prices, and you heard no more about cost-of-living wages.

When they decided Republican legislators meant business on income tax cuts, you heard less about take home pay.

When these arguments became shaky they centered their campaign on profits.

► **THERE'S A familiar ring** to labor's political talk these days.

"No one can expect any group of Americans to accept without deep bitterness and an unyielding opposition," says the CIO's Lee Pressman, "measures deliberately designed—not to meet their just demands for freedom from want and freedom from fear and insecurity—but rather to destroy the only means they have through which to achieve these very ends."

"Let Congress remember—" thunders William Green of the A.F. of L. in a similar speech.

A great many business men were talking along parallel lines 15 years ago. And what did they get?

They got the S.E.C., the Wagner Act, the Utilities Holding Corporation Act, publication of salaries, social security, F.D.I.C., F.H.A., T.N.E.C.

► **YOU CAN'T prove** that lightning will never strike your barn—and you'd feel like a chump if it did shortly after you had refused to buy a protective rod.

So pity the congressman who tries to get his teeth into the Truman budget.

The biggest and hardest to examine

item is 11.3 billions for national defense. It will be difficult to make a sizable cut in expenditures without paring that one.

But the services deal in secrecy, in warnings of what may happen.

They are the lightning rod salesmen—at their best.

►HOUSE CLEANING in the Department of Agriculture is in the works on Capitol Hill.

Production and marketing administration controls basic raw material markets; plays by ear on both buying and selling sides; is inviting price-breaking surpluses by maintaining markets near wartime peaks.

Wheat is now more than 40 cents a bushel above V-J Day; U.S. wool stocks of 1,275,000,000 pounds make more than a year's supply and above four times normal carry-over.

Official price manipulation has changed relative crop values in a way to create acute shortages in such items as rye, flax, fats and oils, sugar, simultaneously with surplus supplies of potatoes, citrus fruits, canned fruits and vegetables.

Congressional leaders say Department's master-minding on price and production management during war years has little to recommend it as a permanent policy.

Majority appears set on plan to eliminate most marketing controls.

►PORTAL-TO-PORTAL claims will subside as Congress advances the Gwynne Bill.

It would limit claims under Wage-Hour Act to those initiated within one year of the alleged breach.

No claim could be entertained by Federal courts if based upon acts and procedures held by proper administrative authorities to have been in full wage-hour compliance at time of performance.

Attorney fees would be limited to 5 per cent of the recovery.

Several other solutions to the portal-to-portal suits arising from the Mt. Clemens Pottery Case have been passed over informally by Judiciary Committee as involving proposals of dubious constitutional merit.

►PLANT FOREMEN and supervisory employees will be exempted from Wagner Act in forthcoming labor amendments.

As representatives of management in daily production routine, foremen are distinguished sharply from other workers. Some unions permit foremen to affiliate on voluntary basis. Those relations will not be disturbed.

But exclusive unions of foremen, as

urged by CIO, will not be recognized as collective bargaining units.

►ANTI CLOSED SHOP laws are passed or under consideration in 11 states.

Most of the 44 states having legislative sessions this year are moving ahead with labor amendments without waiting for action in Washington.

Prospect is that Congress will write into its new bill (finished about May) a general provision giving the states a much larger area of labor regulation than has prevailed under Wagner Act.

►TELEVISION appears to be mushrooming at a rate comparable with original radio boom in the early 20's.

Industry anticipates production of 250,000 to 300,000 family sets in '47; vision broadcast stations will increase from present six to about 40.

►AIRPORT DEVELOPMENT program under new federal-aid allocations calls for 388 new fields in '47 plus expansion and improvement of 412 existing fields.

Total cost is estimated at \$80,000,000 with federal funds roughly 45 per cent.

Because the law was approved too late in '46, no funds are assigned this year to the major metropolitan ports. They may get most of the '48 allocations to balance the national program.

►U.S. MERCHANT MARINE is unable to compete with tramp operations of secondary maritime powers which use surplus American ships to undercut established rates in Atlantic, Pacific, Mediterranean and South American service.

Our 43,000,000 tons of merchant bottoms in 1945 dropped to 30,000,000 tons at end of '46; will be down to 18,000,000 at end of '47.

High labor costs and standards have priced U.S. shipping out of the world competition.

Our prodigious wartime shipbuilding program has served to build up nearly every merchant fleet in the world, while leaving U.S. at old prewar level.

►RELIEF SHIPMENTS in January required 402 transocean vessels, with 112 of them assigned exclusively to bulk grains.

About 85 percent of our U.S. relief and rehabilitation tonnage goes to Europe, rest to Philippines and China.

Congress is revamping whole relief policy with view to ending major food and fuel gifts everywhere by June 30.

►SURPLUS CUTTING TOOLS valued at \$83,000,000 now are offered on a com-

petitive bid basis by War Assets Administration.

These tools, new and used, formerly were sold through commission agreements with producers. They didn't move fast enough.

Items catalogued in new offering method number 198,000,000 pieces in 26,000 sizes.

Sales will be in \$5,000 minimum packages.

Tools are stored in Detroit, Cleveland, Cincinnati, Chicago, New York, Philadelphia and Boston.

► ARMY defense plans are geared to repel a specific stroke of lightning aggression.

"The attack will come over the North Pole," says Gen. George C. Kenney, Strategic Air Command chief.

"It will be made by both piloted and pilotless aircraft, by radio-controlled missiles, by rockets—all loaded with atomic bombs, superexplosives, super-incendiaries, bacterial weapons...

"The result may be a casualty list of 25,000,000 men, women and children in the first 24 hours."

► GOVERNMENT PAYROLL tabulated in the new budget aggregates \$6,250,000,000 a year for salaries alone.

These figures show total departmental employment as of July 1940 and January 1947:

| | 1940 | 1947 |
|----------------|---------|---------|
| Post office | 294,190 | 458,291 |
| Treasury | 59,442 | 102,296 |
| Agriculture | 52,194 | 83,595 |
| Interior | 28,378 | 48,960 |
| Commerce | 19,669 | 37,840 |
| Security | 24,988 | 31,326 |
| Justice | 14,207 | 24,631 |
| State | 6,208 | 22,789 |
| TVA | 3,394 | 13,284 |
| General Acct'g | 2,256 | 12,134 |
| Printing | 6,059 | 8,001 |
| Labor | 2,832 | 7,717 |

► OFFICE SPACE occupied by federal Government in continental U.S. aggregates 63,500,000 square feet.

Housed in one building one story high, federal agencies (exclusive of store-houses, post offices and military establishments) would require a structure one mile wide and 2.3 miles long.

Washington has 53 per cent of the government office space, other areas 47 per cent.

Government owns 57 per cent of its office space, rents the rest.

Says Public Buildings Administration:

"Needs of Government agencies for office space did not subside with the

end of hostilities but continued to be pressing, if not actually increasing."

► STRIKES become steadily more costly to the workers. During 1946 the average time lost in strikes was 24.3 days for each worker involved. Comparable figure for 1944 was 4.1 days.

We set a new all-time record in strike losses last year, at 113,000,000 man-days. Prewar average (1935-39) was 16,949,000 man days per year.

► ULTRA-PROGRESSIVES disemployed by the New Deal fadeout in Washington have rallied under two new banners.

(1) Americans for Democratic Action is sparked by Mrs. Roosevelt, Leon Henderson and Chester Bowles, to work within the Democratic Party.

(2) Progressive Citizens of America, headed by Wallace and LaGuardia, takes over extreme Left remnants of the late Sidney Hillman's American Labor Party in New York.

PCA is merely a re-arrangement of the old Political Action Committee's anagram PAC. It will work both sides of the street in New York state and municipal elections.

Because it can't be too choosy about Communist sympathizers in the rank and file, it won't consolidate openly with the Roosevelt-Henderson-Bowles wing operating on the larger national stage in stylish anti-Communist habiliments.

But this "split" is largely a matter of convenience. Both new organizations are, in fact, political receiverships.

► WASHINGTON BUSINESS BRIEFS: Business travel to Japan, under State Department visa, probably will be authorized in May; commercial mail was resumed in January....Ralph Hetzel, former economic director of the CIO, has been added to the program planning staff of the Commerce Department....New surplus property routine requires all items to be on sale within sixty days of date declared surplus; all correspondence to be cleared within 72 hours....Wage-Hour and Public Contracts Divisions of Labor Department will return to Washington from New York about mid-February....Geological Survey (Interior) offers new pamphlet reports on recent gypsum discoveries in Alaska. ...Army will accept delivery this month on the world's largest cargo plane for experimental freight operations at 300 m.p.h....Treasury policy anticipates continued low interest rates; average on all U.S. governments now is 2.06 per cent....Of 435 House Members in 80th Congress, 193 (a practical working majority) are veterans of one War.



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of National Payroll
and Accounting
Machines...*

This famous packing house is an excellent example of the type of important concerns using National Accounting-Bookkeeping Machines made by The National Cash Register Company.

National Payroll Machines are used at many of the large Swift & Company units handling its payroll records. They produce at one operation: employee's pay check, employee's statement of earnings and deductions, employee's earnings record, payroll summary record.

National Payroll Machines produce entries that are clear and legible, and are proved correct at time of writing, thus obviating discrepancies due to human error.

Swift & Company is also a large user of other types of National Accounting Machines on other applications in their business. Among these will be found sales distribution and accounts receivable in their branch houses throughout the United States and Canada.

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TRENDS



OF NATION'S BUSINESS

The State of the Nation

JAMES MADISON, whose services as President are overshadowed by his contribution as "master-builder of the Constitution," was by nature and training a precisian in language. In one of the *Federalist* essays (No. 37) he wrote:

The use of words is to express ideas. Perspicuity, therefore, requires not only that the ideas should be distinctly formed, but that they should be expressed by words distinctly and exclusively appropriate to them. But no language is so copious as to supply words and phrases for every complex idea, or so correct as not to include many equivocally denoting different ideas.

To a much greater extent than people generally realize, our social difficulties trace to this fact that the same word may convey different ideas to different people.

When this happens, people think and act at cross-purposes. Thus confusion is produced, aggravating simple problems and making those which are inherently difficult almost impossible of solution. Cooperative intentions and constructive intelligence are alike frustrated when mutual understanding is blocked by the inaccurate use of really significant words.

Complications arising from the careless use of words have always been present, but are today unusually pronounced. In part that is because the validity of fundamental American ideas is currently challenged from within as well as without, more aggressively than ever before. Also, in a contest of ideas such as is now in progress, the unscrupulous do not hesitate to give a deceptive

verbal camouflage to thoughts which would be deeply resented, if they were honestly expressed.

Liberty is Misused

The word "liberty" provides a case in point. As will be demonstrated, this word represents the most fundamental idea in the American system of government. Because of its long association with lofty thoughts and sacrificial deeds the word has acquired a strong emotional flavor. That is as should be, *provided* it is correctly used. But when this word is employed to popularize an idea which is the exact opposite of liberty, its very seductiveness makes the deception the more dangerous. If indiscriminating people are repeatedly assured that what is really slavery is liberty, their admiration of the latter word may itself help to reduce them to a condition of servitude.

When the basic word "liberty" is misused, its derivatives, like "liberal" or "liberate," will also be misused. The parent noun represents an abstract idea and the harm done by popular confusion in regard to abstractions works slowly. But a liberal is a particular person who believes in and works for liberty—his own and that of others. And to liberate is to act effectively in a manner calculated to promote liberty. So unless we know what liberty is, and demand insistently that the word be used correctly, we are likely to discover that people working for tyranny are calling themselves liberals.

It would not be difficult to name more than one prominent American who today vociferously



WELDED AUTO HOODS

Shining examples of product improvement — at lower cost

See one of these hoods on a new car, and you'll say it's all one piece. But, actually, it's a two-piece hood, weld-joined by a leading builder of quality cars.

This hidden weld is made with "SM", product of P&H electrode research. "SM" literally *sprays* on the weld metal, leaving a flat, smooth bead that minimizes finish grinding. At the same time it gives a rigid backbone to the hood.

Here is a shining example of the new trend in welding — obtaining strength, speed, *and* appearance, all in one opera-

tion! The result, inevitably, is higher production, lower manufacturing costs.

Such opportunities are open to all who call on P&H for America's most complete arc welding service. P&H, a leading user of arc welding equipment, has turned all its user experience to the *making* of better products for you.



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identifies himself with "liberalism," but who actually believes in the suppression of freedom. It would not be difficult to prove that the gigantic effort to "liberate" Europe has tragically resulted in replacing the Nazi tyranny, in a large part of that Continent, by one which is equally ruthless and oppressive.

Our Future Depends on Words

This indicates that the subject of semantics, which is the study of the accurate meaning of words, is no mere academic exercise. On the contrary, the future of our Republic may well depend on the care or carelessness with which we describe the ideas which alone give it distinction.

To support that assertion it is helpful to quote the Preamble to the Constitution, which states the purpose of our system of government in a single brief sentence:

We, the People of the United States, in order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common Defence, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America.

The thought which is packed into these 50 words tends to obscure the fact that they list six separate objectives. And among these the one which is crowning and culminating is to "secure the Blessings of Liberty."

We would know that to be the main objective of our governmental system even if every history book and every official document other than the Constitution were destroyed. For none of the first five purposes listed in the Preamble requires the meticulous division of governmental powers, the checks and balances, established by the Articles which follow. A centralized dictatorship would have developed a far more perfect union than the one which, three-quarters of a century after its founding, was split by a tragic civil war. Similarly, our elaborate Constitution was not needed to establish justice; to preserve domestic tranquility; to create a military establishment; or to promote the general welfare. All that could be done by a far more primitive structure of government than our own.

It was with good reason believed, however, that the "Blessings of Liberty" would be secured only by dividing political authority between the federal Government and the Government of the states, and then by further dividing this authority among the Legislative, Executive and Judicial branches in both national and state governments. This dual separation of power is of course designed to defend the liberty of the individual. It does so by protecting him from the abuse of power which is always characteristic of every unchecked government.

No mechanical system can "secure the Blessings of Liberty" for a people, unless they themselves have a clear understanding of what liberty is, and what it is not.

Unless this understanding is widespread, and held as a vital faith, the victory will go to those who are always seeking to exercise power over others, and who do not hesitate to distort the meaning of words in order to obtain it.

Already we have reached the stage where permanent conscription of young men is being sweetly described as "universal service" and where the doctrines of tyranny are brazenly advocated as a code of "democracy." While there is still time we should recall the sad admission made by Isaac to Esau, in that story of deceit told so graphically in the twenty-seventh chapter of Genesis: "Thy brother came with subtilty, and hath taken away thy blessing."

Because the word "liberty" is used so loosely it now requires an actual effort for many Americans to understand that it is fundamentally a spiritual aspiration, and thus to distinguish liberty from the physical condition of freedom—for the two words are not synonymous. But appreciation of the inner meaning of liberty can be gained from a careful reading of the Preamble to the Constitution, as printed above.

Citizens Must Preserve Liberty

Between the first five objectives set forth in the Preamble, and its final intent to "secure the Blessings of Liberty," there is an important distinction, other than the one already mentioned. All the preliminary aims can be paternalistically provided for the people. But realization of the blessings which come from liberty, whether these take the form of spiritual or material contentment, depends entirely on exertion by the people and is therefore dependent on the character of the people.

Liberty, in other words, is actually a quality which emanates from individuals. In the words of Thomas Jefferson: "The God who gave us life, gave us liberty at the same time." Governments can establish conditions, like those of freedom and slavery, which are favorable or unfavorable to the quality of liberty. They can also "secure" the blessings attendant on that quality. But while the State can do much to destroy liberty, as it can do much to destroy life, it is powerless to create either of these individual qualities. For they are the gift of Divine—not human—Authority.

FELIX MORLEY





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Truck owners will operate them—drivers will drive them—with greater pride than ever before.

They're the new KB Models of International Trucks—outstanding products of advanced design, engineering and research—newly styled with flowing lines sharply accented by gleaming chrome, and with 95 features and improvements variously incorporated throughout 15 basic models.

And fully qualified to do their jobs with new economy, new ease of operation, and the rugged stamina for which Internationals are famous!

They're the finest values in more than 40 years of International Truck history. And International values have always been outstanding—so outstanding that for 16 years more heavy-duty Internationals have

served American commerce and industry than any other make.

In the complete International Line there's the right truck for every hauling job. And back of every truck is specialized International Service—supplied by the nation's largest company-owned truck-service organization, International Branches—and by International Dealers everywhere.

Yes, the new KB Internationals will be owned and driven with pride—with pride and profit—because these rugged trucks perform with unbeatable economy.

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For details of the 95 FEATURES AND IMPROVEMENTS in various models of the new KB Internationals, see your International Branch or Dealer.

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INTERNATIONAL Trucks

The Month's Business Highlights

BUSINESS is concerned with national legislation as never before. Action will be sought on issues that profoundly and directly affect the production and distribution of goods. Continuation of high employment and of a high national output of goods and services depends upon confidence in the maintenance of world peace. The new Congress will be called upon to make decisions that will have an important bearing on the faith people will have in the world of the future.

At home ways must be found that will permit the orderly and businesslike functioning of the economy. Labor legislation is one essential in that part of the program. Handling of the budget and the policies pertaining to taxation are almost as important. Scores of other pressing matters are on the program.

Italy was easy prey for the Fascists because the legislative branch of the Government was so split into blocs that little could be accomplished. Factionalism already is troubling our newly seated majority party. Some members of the dominant group in the present Congress have endorsed a return to former methods of dealing with foreign policy, tariffs, and taxation. There is pressure for "orthodox" ways of handling government financial policy. Some seek elimination of many of the rules under which business is restrained from certain practices. If that element gains control the tenure of the present majority will be short, but it will be long enough to do irreparable harm to business during a very critical time. As Republican candidates in three campaigns have vied with the Democrats in condemning those things, it would seem that chances favor liberal and farseeing policies.

The world situation and prospects for peace are far from what had been expected, but they have taken a more hopeful turn. United Nations meetings have produced an incredible amount of talk, but words are not as devastating as bullets. As long as comment is unrestrained and utterances are in public, the greater is the chance of avoiding the bullets. Talk eventually shows up the futility of extreme positions. More progress may have been made than appears on the surface.

The International Bank needed the reputation and the prestige of Eugene Meyer. No one thinks he had planned to retire as soon as he did. Failure of this institution to operate has not hurt Ameri-

TRENDS



OF NATION'S BUSINESS

can business as yet, because the country has needed all of its own production. The time is arriving, however, when American business can be helped by making American dollars available to enable various countries to get on their feet.

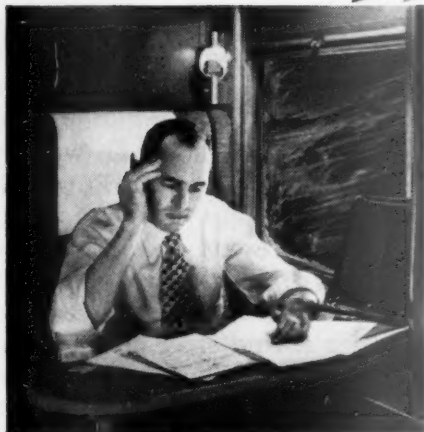
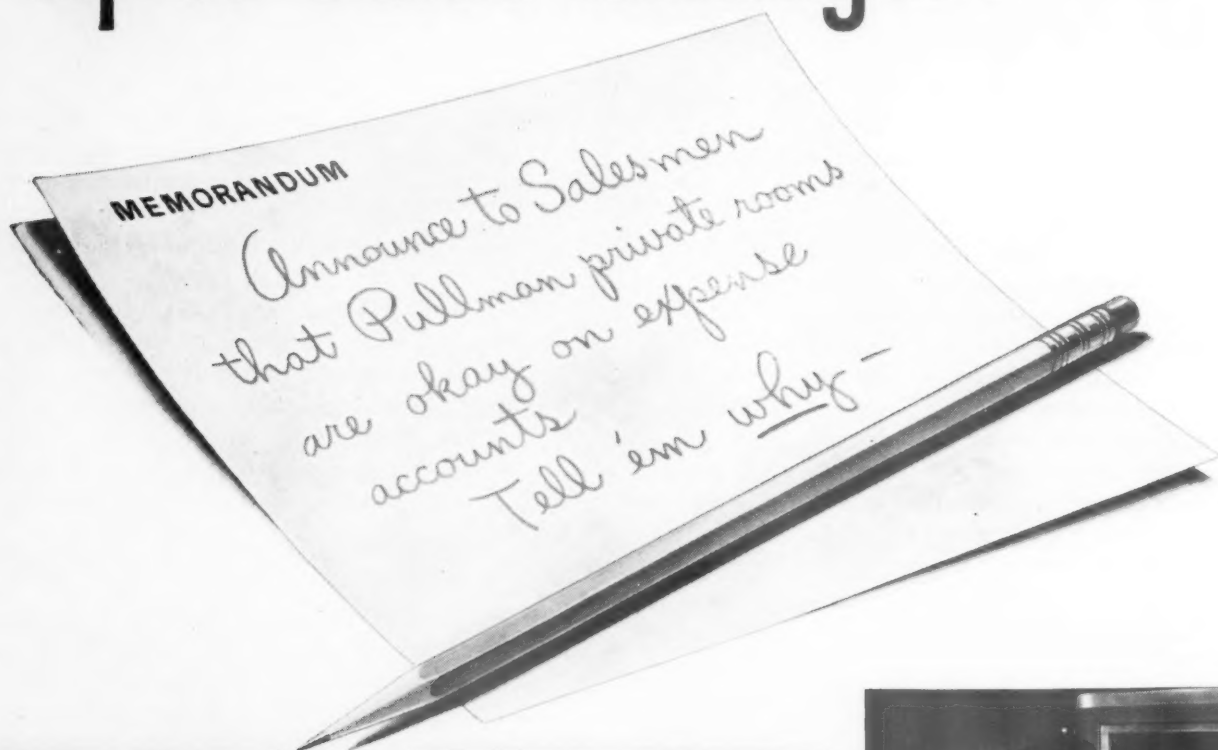
Interest in the underlying forces involved in such matters as world affairs, the budget and the national debt is now widespread among business men and industrialists. Once, the average executive gave little attention to matters beyond meeting his own payroll and being familiar with his own operation. Retroversion would give the planners another chance.

Recommendations in President Truman's economic report to the new Congress have behind them more systematic study and research than such recommendations contained in any previous presidential message. As the report made to the President by his Council of Economic Advisers is not made public, it is not known to what extent Mr. Truman departed from the suggestions made, but it is safe to say that his recommendations and conclusions were influenced in no small way by what was submitted in advance by Dr. Edwin G. Nourse and his associates.

Developments under present conditions, be they domestic or foreign, frequently are emergent in character. Government has to be prepared to act quickly. Leisurely trial-and-error policies cannot cope with situations which flare up suddenly. There is no time to correct mistakes. At least, the number of mistakes can be reduced if a competent organization is concentrating its attention on the moves that will be made under various circumstances. It is the application of the general staff technique looking to non-military preparedness.

There has been some demand that the Council's report to the President be made public. This would defeat the purpose of the act. The President should be free to discard recommendations without discrediting the Council. There is reason to believe the report to the President did not call a spade by any other name. The report to the President undoubtedly is a better document than the Council's own first annual report which necessarily cannot reveal much and has to be padded. As a result, the Council's report to Congress deals in an out-of-this-world way with the "Spartan doctrine of *Laissez-Faire*," which is not Spartan, the "Roman doctrine of an External

Tip To Sales-Managers



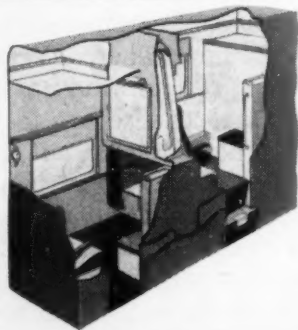
1 You start to relax the minute you settle down in the privacy and comfort of a Pullman room. Ring for the porter—get a table—and do your daily reports without distracting interruptions. Then *take it easy!*



2 By bedtime, you've thrown off the tension of the day and won't have to count any sheep before dropping off to sleep in that big, soft Pullman bed.



3 Next morning, you shave and dress without leaving your room. When you arrive—on dependable railroad schedules, right in town—you're rested, refreshed and rarin' to go. The *little* extra that you pay for a private room adds a *lot* to the way you tackle your job!



NEW LOW-COST PRIVATE ROOMS

Pullman-operated Duplex-Roomette cars are now in service on some lines . . . coming soon on others. The new design of these new cars adds *another* Pullman travel-value that no other way of going places fast can match!

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THE SAFEST, MOST COMFORTABLE
WAY OF GOING PLACES FAST!

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Remedy," which is not Roman, and the "American Doctrine of Mutual Adjustment," which antedates Columbus by a few centuries. Under the circumstances that flight should not be held against the advisers or taken to indicate that they are not doing a down-to-earth job. They take an optimistic view of 1947.

Students of government who are uninfluenced by politics think the idea embodied in the Employment Act of 1946 has merit. It provides machinery that will give government a choice of well considered plans to promote economic stability.

Not all the experts in Washington go along with the Council of Economic Advisers in holding out the possibility of averting a recession altogether in 1947. It would not take phenomenal performance to have a better year in 1947 than in 1946. The average of the index of industrial production last year was around 170. The average for the first quarter of 1947 easily could be ten or 12 points higher. There is nothing in sight that will slow down production greatly in the second quarter. This would mean that more than the "dip" predicted by the economic advisers could take place and still a 1947 average of more than 170 could be attained.

Production is so nearly at the limit of physical facilities that it would be surprising if any combination of favorable circumstances could top the 200 mark in 1947. The wartime production peak was 247 attained in October and November, 1943. The index stayed above 240 until April, 1944, and above 230 until V-E Day. It has remained well under the 200 mark since V-J Day. The average for 1943 was 239. In 1944 it declined only slightly to 235. That rate of output was obtainable only by overtime work in nearly every plant and when the stimulus of the war spirit was at its height.

With better labor relations in prospect and with the outlook for production bright as 1947 gets into its stride, it is recognized that high price levels constitute an element of weakness. When all elements in the population are in the market, it makes for stability. When prices reach a point where they get out of the reach of many consumers, readjustments are more violent. At best it is difficult in a postwar period to maintain stability.

Courageous action always pays dividends. Nothing loses votes faster for an elective official than timidity. That President Truman has learned this lesson is seen in his recommendations to the new Congress as well as in his handling of John L. Lewis. While the chances are against his reelection, apparently Mr. Truman has decided to be as good a President as it is possible for him to be, regardless of the consequences. That policy may recover more lost ground than now seems possible. He lacks the magic touch of

Roosevelt. The press which is in frequent contact with presidents feels closer to Mr. Truman. He is a mortal; not an immortal. These behind-the-scenes observers recognize that Mr. Truman lacks understanding. So does the press for that matter. They also recognize that no one, no matter how able, could have a placid administration under conditions such as exist at present. Much of the support for the state-of-the-union message will come from the business community. It knows the public interest is more likely to be served better by a man who does not expect reelection than by one who wants to avoid offense.

The message on the state of the union, making suggestions for the "welfare of our free enterprise system," was conciliatory in character. The five points give a little to everyone. It was a bid to Congress to play along with the President and not embarrass him by taking extreme positions. As an experienced politician he knows Congress will play politics and so will he, but the gesture is commendable.

The first economic report to Congress was rather colorless, but since it was the first message of the sort, that is better than being too ambitious.

Many expected the President to slash the budget. He apparently believes it is better party strategy to let Republicans take the responsibility.

When price is taken into consideration, along with the holiday falling in the middle of the week, Christmas buying surged 15 per cent ahead of the year preceding. Department store buying for the first quarter was cautious. There has been a general effort to reduce inventories on many items. Reduction in employment in plants producing various luxury and non-durable items is reported.

Appreciation of employment is rising and with it the efficiency of the worker. Output of durable goods is clicking at the wartime rate. Shortage of spare parts still causes headaches, due to the fact that pipe lines have not been filled as yet.

An encouraging factor in the housing situation is the emphasis being put on the large scale construction of housing for rental. With costs at present levels the authorities finally have come to realize that only a small proportion of those needing housing are in a position to buy. The real need is to produce shelter for those who cannot afford to pay high rents, including GI's.

PAUL WOOTON



The Ad that came to Life!

ONE DAY I was in an American Mutual ad...
I was standing on page 42 smiling away,
when suddenly this fellow lets out a roar!
"BAH!" he says, "Mr. Friendly saves the day in
ads okay, but I'd like to see him *save my factory!*"
Well that made me sore... I stepped
right out of the page!



by MR. FRIENDLY

"Listen!" I said. "Your production is off...
accidents are increasing... I know
exactly what you need!"

He pretty near fell over! "How...how do
you know? You're just a symbol."

"A symbol of 59 years' experience, helping people like you," I answered.

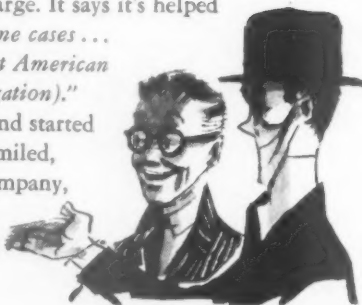
"A symbol of a special service that will hold losses
to a minimum... boost profits!
I climbed back in the ad...
and pointed to a paragraph..."



"Look!" I said, "it tells here the story about
American Mutual I. E. LOSS CONTROL*—how it's a regular
part of our service at no extra charge. It says it's helped
reduce accidents *more than 80% in some cases...*
"It says send right now for information about American
Mutual's new I. E. LOSS CONTROL (no obligation)."

Well sir, this fellow whipped out a pen and started
writing then and there! "Just address it," I smiled,
"American Mutual Liability Insurance Company,
Dept. N-5, 142 Berkeley Street,
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*Accident prevention based on principles of
industrial engineering.



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when trouble comes!



AMERICAN MUTUAL

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Washington Scenes

IN its first weeks the new Congress has found itself organizationally, but has no formula for saving the Republic. The Republican majority gradually became aware that driving nails into the New Deal coffin is not sufficient to end the counterrevolution against hallowed national principles. There is mounting awareness that the problem cannot be solved by repealing a few laws or by passing a few new ones. And there is gathering concern that the serious trouble storming down on the nation cannot be warded off by dusting off the Constitution. Slow realization is dawning that the problem may be to save the Constitution or at least to save the system of private enterprise.

For a time after the 80th Congress convened there was a campus air about the Capitol and the House and Senate office buildings. One out of every four faces was new. The office buildings resembled college dormitories as the lawmakers moved in or changed suites. New members were as shy and awkward as freshmen. Now and then a new member, overcome by the flood of new faces, would seize the hand of a bewildered visitor to Capitol Hill and greet him as "Senator" or "Congressman." But, in short order, members slid into a first name basis and luncheon club camaraderie.

Many Bills Are Hidden

Most new members of the House, trooping in behind the official mace, entrance of which indicates that the body is in session, had at least one bill tucked in a pocket. They took their seats proudly where Abraham Lincoln served a century ago. All had come to the capital full of high resolves and their chests a bit puffed with pardonable pride in their position. Later, after being stared down by hotel clerks, mocked by rental agencies and jostled by all and sundry, they became aware that a new congressman is very small potatoes indeed along the rarely quiet Potomac.

Thus deflated, most new members of Congress lost confidence in themselves and left their panacea bills in their pockets. They decided to look before they jumped into the legislative hopper. Oldtimers soothingly discouraged a flood of bills by warning that the legislative mills grind slowly as well as exceedingly fine. Shaping up new legislation is something like shaking up a new cocktail; the inventor finds that all he has

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done is to give an old drink a new name because someone has thought of the combination long before. In making laws as in mixing drinks the old standard recipes are best, according to congressional veterans.

Over in the Senate where new members thrust exploratory fingers into the traditional snuff-box by the rostrum, they found that a senator rates somewhat higher in capital esteem than his House colleague, except when seeking housing. After all, there are only 96 senators to 435 congressmen. As in everything else, the depth of a bow or the warmth of a hand-clasp is measured by the law of supply and demand. The new senators also had bills tucked in with the fresh laundry they brought to Washington and much of this went to the cleaners long before the senatorial shirts.

Few Fights Within the Majority

In the days before the opening gavels were sounded in the two legislative chambers, much was made of vying for committee chairmanships reduced under the LaFollette-Monroney reorganization bill to 15 in each body. Most of the struggle was in the press because a clash or even the prospect of a clash always makes better reading than harmony.

Fears were expressed that the contests would leave scars that could not be easily healed and would interfere seriously with the functioning of the Republican majority. It was forgotten that, when the Democrats came into power in the '30's, their advent was preceded by even more bitter struggles for posts of power. These fights did not in the least interfere with the efficiency of the Democratic machine that steamrolled opposition through 15 years.

Indications were that the same will be true of the Republican majority. Once the Republicans met to decide on the men who will guide legislation for at least the next two years, selections were made quickly and with a minimum of public hostility. Organization moved most promptly and efficiently. What clashes developed have been forgotten by the public although they may still gnaw within ambitious bosoms.

Legislation and a Republican legislative program were another matter, however. All recognize that the important problems are legislation to curb labor, death of the New Deal, taxes, the

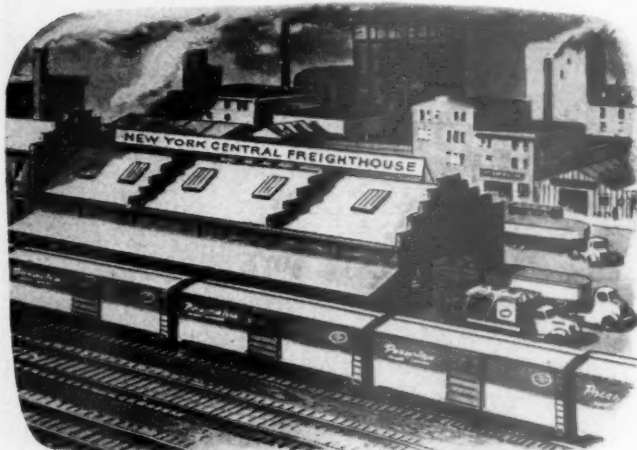
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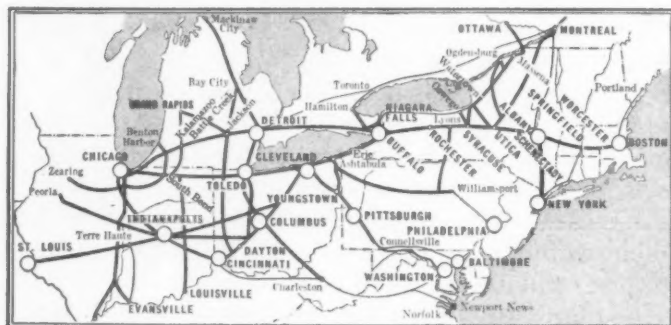
2. MERCHANDISE PULLMANS. "Our shipment speeds overnight in one of Central's new red and gray *Pacemaker* merchandise cars. Those smooth-riding, mile-a-minute freight 'Pullmans' clip a business day from regular delivery schedules between New York and Buffalo and other key mid-west markets."



3. DEPENDABLE DELIVERY. "Fast, dependable, night freight service puts our warehouses along New York Central within a 'sleeper jump' of the stores they supply. And that's just one of the competitive advantages we get from having strategic 'Central locations' within the area of America's most concentrated buying power."

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NEW YORK CENTRAL
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making of peace, and housing. There is no agreement within either party, as yet, on how any of the problems should be attacked. This division is understandable not only because of the magnitude of the problems but because of the impact of the New Deal, which was an economic revolution which swept along its planners in a flood of political changes more accidental than planned.

More and more Republicans are becoming convinced that a labor law or a tax cut is not the solution to the political upheaval dating from 1933. The more studious Republican philosophers recognize that the New Deal was a sugar-coated—or, to be more exact, an easy money coated—but nonetheless deadly potion for representative government. By wheedling gigantic lump sum appropriations out of Congress, the New Dealers replaced government of the people, by the people, and for the people with bureaucratic collectivism. At first this was more of an accident than a pattern.

Later, when they saw they could get vast sums of money for almost any purpose as long as they shouted that their objectives were sublime, the New Dealers planted alphabetical spores all over the American landscape. Before Congress realized what had happened, it had abdicated its place in the established American balance of the executive, legislative and judicial branches of the Government.

White House Controlled the Purse

Members of Congress, once holders of the nation's purse strings, had to go to the White House or the big spending agencies, hat in hand, to beg for money for their districts. One could hardly expect a congressman seeking a post office, a highway, a hospital or a military establishment in his district to bite the bureau that was feeding him. The surrender was complete.

The problem now is for Congress to reestablish itself, Republicans agree. Not all see, as some do, that the New Deal was part of a world-wide swing from free enterprise and representative government and that the pendulum must be swung back if the American way is to survive. Those who so analyze the problem before Congress feel that what is necessary is to make the capitalist system work and all is saved—the laborer, the manager and the taxpayer.

In his provocative book, "By Vote of the People," Willis J. Ballinger, economist, noted that, in the past 2,500 years, eight free governments have perished, five paradoxically by vote of the people. Two fell by conquest after they had been reduced to hollow shells by internal economic conditions and one was liquidated by an internal conspiracy of rich industrialists and traders. The five were Rome, Florence, France of the first republic, Italy and the Weimar republic in Germany; the two were Athens and the third French republic.

lic. The one was Venice.

Leaders in Republican ranks are alive to the dangers of concentrated wealth which would expel competition from business and create private monopoly. In making the capitalist system

work they feel that competition is the keystone which should dominate trade and industry. Competition brings expansion in government and sifts prosperity throughout the social structure. The goal would be to keep competition alive and by such encouragement of private enterprise to bring prosperity to business, large and small, and to the working rank and file.

Most Republicans are content with attacking individual phases of the problem such as taxes. Some of these recognize that the New Deal kept in power by spending money and catering to political, economic and religious minorities. If you take away the money, they argue, you take away the mainspring of the strange machine. Cutting off appropriations and reducing revenue will strangle bureaucrats and speed the return to representative government.

New Deal Has Lost

The great majority in Congress—both Republicans and Democrats—are convinced that the New Deal was an evil, if not a monstrous thing. The Democratic minority in Congress is made up largely of conservative southerners, who disagreed violently with what was going on, but surrendered largely through party loyalty. A few were co-conspirators, hopeful that they might lift themselves to absolute power on the magical formula of "spend and spend, tax and tax, elect and elect."

The majority in Congress, regardless of party, are apparently convinced that executive power must be clipped.

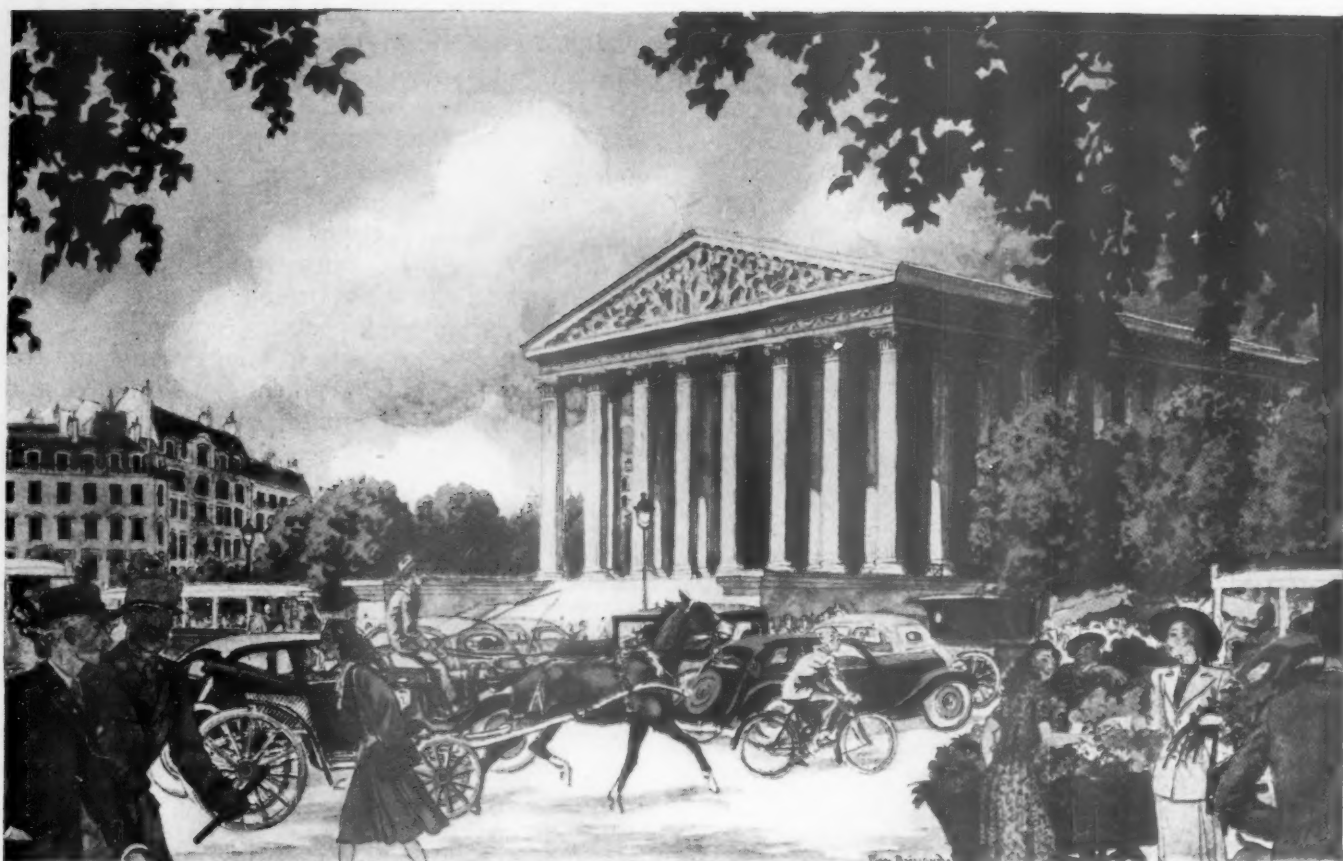
In fairness to President Truman, members of Congress agree, he has not used the power of the purse and the power of bureaus to perpetuate New Deal autocracy.

Nonetheless, Congress is determined to reassert itself at the expense of the Executive establishment. In this effort the Republicans may find themselves goaded by their Democratic colleagues as they were in the colorful maneuvering by which Theodore (The Ex-Man) Bilbo of Mississippi was kept out of his Senate seat.

Congress is apparently convinced that there can be no peace on the economic front at home, nor on the international front abroad until representative government is fully established. How successful Congress will be remains to be told in the critical months ahead.

WALTER TROHAN





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The U. S. and World Affairs

THE MOST significant trend in Latin-American life today, so far as long-range American interests are concerned, is without doubt the growing collaboration of political extremes which are typified by the Peron Government in Argentina at one pole and the Communist movement in Central and South America at the other pole.

What these extremes have in common is their hostility to the United States; it is the bridge between the ideological antipodes. Communists have rallied to the Peron standard in Argentina in the name of economic independence from the Colossus of the North. And it is under anti-Yanqui slogans that their comrades in all other countries have supported political leaders as different as President Gonzalez Videla, far left-of-center, in Chile and the reactionary pro-Axis Luis Alberto de Herrera, narrowly defeated for the Presidency in Uruguay.

The help to Gonzalez Videla was open, in Herrera's case it was indirect but no less effective. Clearly the Communists are ready for the most bizarre alliances and not inhibited by principle wherever they can put in a lick against Uncle Sam.

Their party leaders and spokesmen for Communist-dominated trade unions in Brazil, Chile and Cuba have announced that, in the event of war between the United States and the Soviet Union, they are prepared to close the ports of their respective countries to prevent essential supplies from going to the U. S.

Communist Bargaining Power

Nowhere in Latin America are the Communists strong enough to make a bid for full control. But, in all the 16 countries where they possess organized parties, they have strong bargaining power, and in some they occupy a strategic balance-of-power position. Though their total Latin-American membership is under 400,000 and their balloting strength is estimated between 1,000,000 and 1,500,000 out of some 40,000,000 voters, such figures are misleading. Their strength lies in rigid organization, discipline and a unified policy that ignores national boundaries. Moreover, through control of the Latin American Federation of Labor (CTAL) under Vincente Lombardo Tolezano, who follows the Moscow Party-line, they dispose of the most potent single pressure group in the hemisphere.

All of this power is now devoted to the supreme

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objective of isolating the United States. It is at the service of any group, Right or Left, willing to promote this objective.

United Front in Santiago

The inauguration of Gonzalez Videla in Chile offered a kind of symbolic picture of the new partnership of the extremes. The ceremonies marked a leftist victory in which the communist party, with three posts in the new Cabinet as its reward, shared the honors. But the most impressive and the most warmly welcomed foreign delegation was the special embassy sent by Argentina, headed by Vice President Quijano and including leaders of the Peron-controlled labor unions.

At a farewell party staged by Quijano, the Peronista labor spokesmen and Chile's Communist trade unionists pledged friendship and cooperation. The temper of the love feast may be judged from the words with which the Chilean Communist Deputy Juan Vargas Puebla concluded his speech. "We want an industrially powerful Argentina," said Puebla, "and an industrially powerful Chile, so that we can fight together—and side by side with the Soviet Union—for the peace and progress of the world."

The pledge was dramatically fulfilled in a series of agreements which tie Chile closely into the Argentine national economy. The details have been amply reported in the American press. It gives Peron priority in the purchase of all Chilean lumber, copper, coal, iron, nitrates and other chemicals essential for his ambitious program of military industrialization. In return it establishes large credits for Chile for the purchase of Argentine meat, grain, linseed and other badly needed foodstuffs. This trade will be duty-free, in disregard of most-favored-nation treaties even with neighboring states—a big first step toward the customs union and ultimate *Anschluss* dreamed of by the more extreme Peron nationalists.

"Peso Diplomacy"

The Communist help which clinched the deal with Chile is on tap in other countries for the shaping of a politico-economic bloc under the aegis of Argentina.

Paraguay, under dictator Morinigo, is already firmly in the Argentine orbit. Uruguay would have been a virtual satellite of Argentina if Herrera had won the Presidency in the November elections. Peronista support of Herrera was un-



**Perhaps it takes a man to really
organize this "business of gifts"**

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NATION'S BUSINESS for February, 1947

disguised and continuing pressure to hogtie his successful opponent, if not actually to overthrow him, would not be too surprising.

As a matter of fact, Herrera received more votes than the liberal Tomas Berreta, who was elected only because of a technicality in the Uruguayan law. A Communist maneuver that siphoned off liberal votes from Berreta helped to build up Herrera's impressive showing; so did the Buenos Aires threat to cut off grain exports to Uruguay if its favorite were defeated.

The same sort of economic pressure by the Peron Government operates against land-locked Bolivia, which is desperately dependent on Argentina and its ports for food supplies. Peron has been maneuvering for priority on almost the whole output of Bolivian tin, tungsten and rubber, overriding commitments to the United States and other importers of these products. Shortly before President Villarroel was lynched and his government overthrown, a Bolivian mission in Buenos Aires was ready to agree to the Argentine demands, on a custom-free basis like the one accepted by Chile.

Peron, of course, makes angry denials of any bloc-building intentions. He describes the process in terms of economic cooperation. But, words aside, the extension of Argentine trade, with an inevitable extension of political influence, is a central fact in the Latin American equation.

The country has come out of the war period with enormous financial reserves at home and abroad. It has paid off its American and British loans and is, uniquely for Latin America, in a creditor position. Its new financial strength and its large exportable food surpluses on a food-poor continent give Argentina economic leverage second only to our own in this hemisphere. An era of "peso diplomacy" seems in the offing, and it has the blessings of those who have been loudest in denouncing "dollar diplomacy."

Dividing the Democracies

The effort to weaken hemisphere unity by isolating the United States should be viewed in the broadest world focus. It fits neatly, for instance, into the intense drive now gathering force to break Anglo-American unity.

On this side of the ocean the Wallace-Pepper "revolt" against our Russian policies fizzled temporarily, but it is by no means dead. It draws renewed confidence from the corresponding and far more effective "revolt" of Labor members of Parliament in England against the foreign policies of their Government.

There is a grim humor in the fact that the English "rebels" profess alarm over Bevin's supposed subservience to American imperialism, while their opposite numbers here insist that the U.S.A. was playing the game of British imperial-

ism. Obviously they cannot both be right; their respective countries cannot be at the same time the tail and the kite of a common policy.

To complicate matters, Mr. Wallace sent a message to London in substance endorsing the position of the Labor Party critics and these, in turn, expressed their appreciation of the American critics. What could be more paradoxical than this common front between the most voluble anti-British propagandists in America and the loudest anti-American propagandists in Britain?

The paradox, however, begins to make sense in the light of their common objective, which is to prevent even the semblance of coordinated Anglo-American action *vis-a-vis* the Soviet Union.

Probably it is no accident that the clamor for "independent" policies became most insistent in both countries precisely at the time when a firmer and more unified democratic front against Soviet expansion was forcing Moscow to moderate its diplomacy. Without impugning the motives of all or even of the majority in both the American and British contingents, it should be noted that they include politicians noted for blind faith in the Kremlin.

Soviet Move Indicated

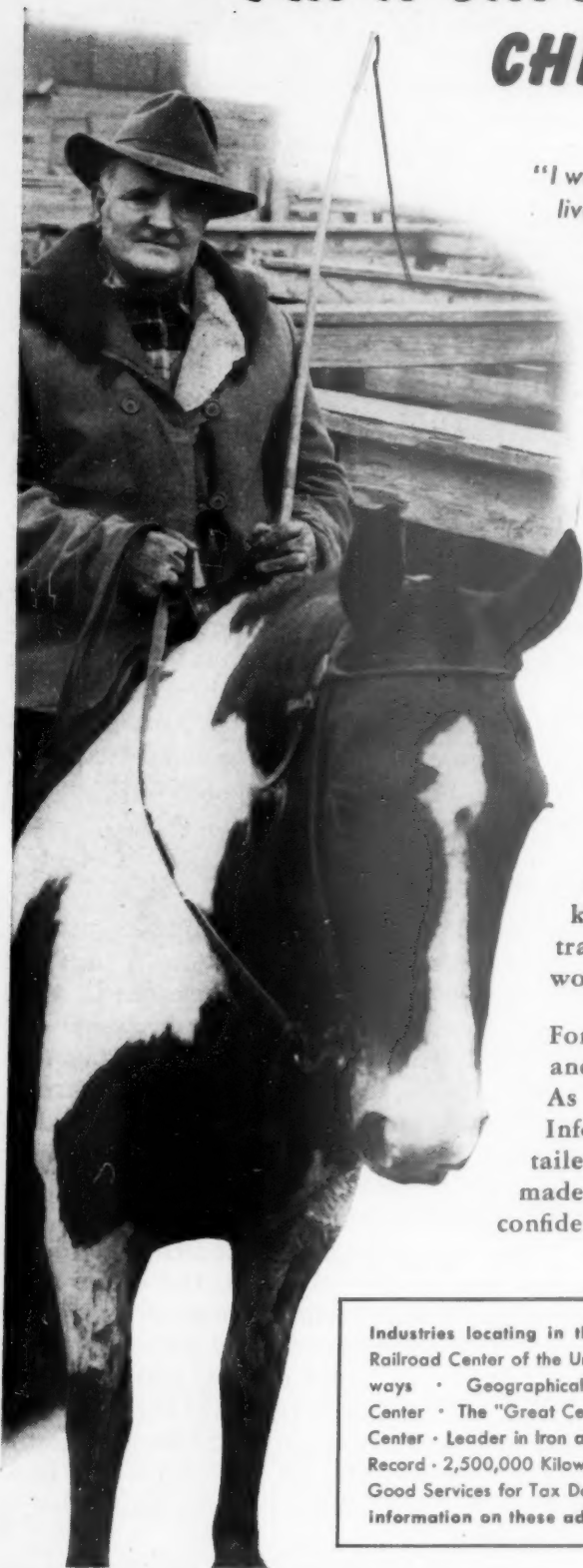
Whatever the reasons for the sudden Russian shift in the direction of moderation, it provides a more favorable climate for those eager to drive a wedge between Britain and America. There, in fact, we have another clue to the mystery of Russia's more reasonable conduct. Shrewd observers have pointed out that most of the "concessions" by the Kremlin are particularly calculated to reassure the British—witness the unexpected Soviet hands-off policy in Iran, an area of crucial importance to the British. Whether or not this is the intention, the effect is to strengthen the anti-Bevin minority in the Labor Party and to promote the central Soviet purpose: to divide the other great powers, and to isolate them from the smaller nations. On the eve of the Moscow meeting on Germany—the decisive factor in conditioning the future of all Europe—the Russians are eager, above all, to prevent a solid Democratic front.

In the measure that the U.S.A. and Britain are driven apart, in the measure that each of them is fenced off from now friendly or dependent countries, the weight of Soviet Russia in the scales of world affairs will be increased. This fact holds the key to current Communist strategy, in Latin America and in the rest of the world.

EUGENE LYONS



"I'M A CATTLE BUYER AT THE CHICAGO STOCK YARDS"



"I work for packing firms, selecting beef on the hoof in this greatest live animal market in the world. Every day, in my job, I see livestock from the western ranges and farm products from the Mississippi valley pour in here by rail and by road. That's what makes Chicago the biggest center for food processing in the country. I have a stake in Chicago and it's to my advantage to work at the very hub of the food industry. My wife and kids enjoy living in this great old city and get a lot out of its fine educational and recreational features."

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Revolutions Begin at the Top

By J. M. LALLEY

SOCIAL changes start with ideas. Today men with ideas clamor for attention all over the world. We are living in a revolutionary epoch

NOT MANY of us realize that even here in America we are now living in one of the great revolutionary epochs of history. This is because we have been encouraged to look for the evidences of revolution where they are last to be found, that is to say among the people. We tend to envisage a great social revolution as a spontaneous eruption in which the masses, made desperate by misery and injustice, turn in fury upon the few who have robbed and deceived and exploited them, and in this burst of energy the people rediscover their power.

Such a view of revolution is derived from what may be called the revolutionary myth. Now a myth, in the historical sense, is the distortion of past events by some present loyalty or prejudice; or in the interest of some presently prevailing philosophy. Through the promotion, especially in the schools, of these myths, governments strive to legitimize themselves; and, since nearly all existing governments are of revolutionary origin, each has its own revolutionary legend.

Thus 35 or 40 years ago, before a new cycle of revolutions had been unleashed on the world, most of us would have been shocked, perhaps even angered, to be told that the unspeakable tyrant, George III, encroached far less upon the personal liberties of Americans than, let us say, the government of President Lincoln, though the fact itself is scarce to be disputed.

Similarly, since our general notions about the French Revolution had come to us mainly through such romances as "A Tale of Two Cities," we might have found it dif-



CHARLES DUNN

It is invariably the work of a small minority—called "intellectuals" nowadays—and not of the great masses who upset the status quo

ficult to believe that the French peasantry under Louis XVI, burdened though they were by the exactions of the farmers-general, by ecclesiastical tithes, and by the parasitic privileges of absent seigneurs, were nevertheless better off than the peasantry in any other European country.

Yet this is how the case appears to those who take the trouble to search beyond the myth.

As for the city proletariat—the

sans-culottes, as they were later to be called, who appear to have been a relatively slight element of the whole population—their condition was probably wretched, but apparently no worse than it had been for at least a full century preceding the Revolution.

France generally, despite inflation, an absurdly complicated financial system and a chronic and incurable deficit, was extremely prosperous; for several genera-

tions the national income had been steadily mounting. The winter of 1789-90 was no doubt a cruel one for the Parisian poor, but it was nevertheless mild by comparison with the terrible winter of 1794-95, after the economy had been paralyzed by terror, civil war, military conscription, bureaucratic corruption and fanatical legislation. The

1914 the position of the moujik had been steadily improving and, however harsh and oppressed it may seem by our own standards, it was indeed better than at any other time in Russian history, at any rate since the Mongol conquest.

Certainly there was no severe economic distress in the American colonies of 1775. The condition of

an unwanted excess of liberty or prosperity has an unsettling effect on the political order, encouraging the populace to behave like spoiled children and that this, combined with irresolution or procrastination by the Government in the face of increasing defiance and disorder, creates the condition of general anarchy.

This, sure enough, is the view which often finds favor among the rulers in periods of counterrevolutionary ascendancy, as for example under the restoration governments of James II of England and Charles X of France.

"Your people, Sir," said Alexander Hamilton, haughtily turning his back on the Spirit of '76, "your people is a great beast!"

Masses are first to tire

THERE is a disposition, natural enough in those who have suffered by it, to consider the revolution in all its aspects a grandiose example of inherent human criminality. Accordingly, uncompromising severity becomes the policy.

But this view, too, is superficial and naive.

It overlooks, for one thing, a fairly obvious historical truth: that it is usually the people who are first to weary of the revolutionary disorder, and whose desire for the restoration of tranquillity at any cost makes possible the advent of the strong man. This perhaps is why a strong personal dictatorship, such as Napoleon's, or Cromwell's, or Stalin's, seems to complete the pattern of social revolution.

Even in the American Revolution, we may perceive the pattern in the demand for a "strong" Constitution, and even more plainly in the frankly royalist bias of Hamilton and his friends.

Thus for an explanation of the paradox that successful revolutions are more likely to occur in relatively good times than in hard times, and to be directed against weak rulers rather than against brutal and predatory tyrants, we must look a little deeper into revolutionary history. It is then that we discover that the great revolutions do not begin where they seem to begin, and that outbursts of revolutionary violence and the destruction of long established governments are merely the cumulative aspects of a revolution in ideas that has been taking place gradually and quietly in the minds of men for at least two generations.

In other words, the great revolution
(Continued on page 83)



During a revolution, terrorists spring into action when the uneasy mood of discontent gives way to one of general panic, *la grande peur*

severe bread shortage of '89, about which so much has been written, was due in some part to the bad harvest of the preceding year and to the primitive system of distribution; but mainly it seems to have been a consequence rather than a cause of the Revolution.

As for the Russian peasant under Nicholas II, his condition was happy by comparison to his lot after a dozen years of the Bolshevik Revolution. Between 1904 and

the humblest free inhabitants, perhaps even of the slaves, was in every respect superior to that of the docile English poor, and in some respects enviable even by American wage earners of today.

So much for the revolutionary myth. Are we, then, to infer from these examples that revolutions tend to occur where there is the least concrete justification for them? A disconcerting corollary to such an inference might be that

The White House Racing Form

By WALTER TROHAN

EVERY BOY has a chance to be President and these seven are moving to meet Opportunity half way



In 1948 New York's Governor Dewey will be making his third try for the GOP nomination



Ohio's Senator Taft would like to follow his father's footsteps to the White House

ON A sizzling August afternoon in 1864 a brooding Abraham Lincoln, facing the awful issues of bullets, agony and ballots in that Presidential campaign year, stepped on the White House portico to face the 166th Regiment of Ohio volunteers, homeward bound at the expiration of enlistments. Aware that the veterans were shortly to become serious voters, Lincoln added a pithy political thought to a routine of thanks developed for such calls.

"I happen, temporarily, to occupy this big White House," he said. "I am a living witness that any one of your children may look to come here as my father's child has."

Thus was born the great American credo that any



A Taft-Dewey or other deadlock might see California's Governor Warren get the nod

child can become President. A few years earlier Napoleon had electrified his legions by telling them each soldier carried a marshal's baton in his knapsack. Perhaps the only thing wrong with the American credo is that too many Americans take it seriously; they want to be a "living witness" as was Lincoln.

At the moment, the political landscape is cluttered up with political hopefuls as far as the GOP is concerned.

"If I had as many votes as there are Republican candidates, I'd buy me a tidy front porch to campaign from," former Sen. James E. Watson, perennially witty in his 80's, remarked after a recent survey of the field. "I wouldn't build the rest of the house because I'd be moving into the White House in 1949."

Many disappointments

ALL that lies between the aspiring "living witness" and the White House is votes—votes in the party convention and votes in the election of November, 1948. Barring unforeseen accidents, which the male political animal is heir to, it would appear that all that is needed to become the next President is to obtain the Republican nomination next year.

But the road to the White House will be paved with the cold ashes of burnt ambitions before the Chief Justice of the United States

Despite his age, General MacArthur is a prospect

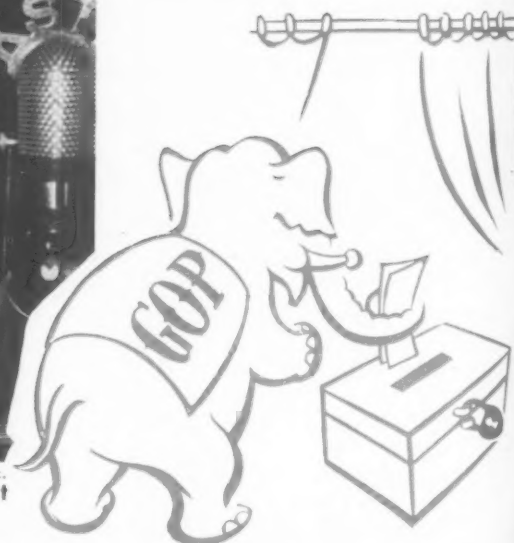


Ohio claims seven Presidents and Bricker is willing to be another



At 39, Stassen is the youngest of the Republican aspirants

Vandenberg's campaign will stress our foreign affairs



fills in the name of the victorious candidate when he administers the oath at noon on January 20, 1949:

"Do you, ———, solemnly swear that you will faithfully execute the office of the President of the United States and will, to the best of your ability, preserve, protect and defend the Constitution of the United States."

Somebody's son is going to raise his right hand and repeat that oath. Dozens of Republicans are asking themselves, "Why can't it be me?" For the benefit of all children—large and small—who covet the nation's No. 1 address, 1600 Pennsylvania Avenue, the next two years will offer a demonstrative answer to the question, "How to become President?"

In the varied Republican field all the traditional
(Continued on page 77)

Retailers, Get on Your Toes!

By VERGIL D. REED

THE days of "take it or leave it" selling are over for most storekeepers. It's the wise merchant who realizes that he must again court his customers



The retailer soon will be Romeo again—and Juliet, the consumer, feels she has been scorned too much

PAUL HOFFMASTER

RETAILERS, get on your toes! The time for hibernation has passed. Fast disappearing are the days of "anything goes."

Reconversion, modernization and expansion are now the order of the day. They are just as necessary in retailing as in manufacturing and will continue to be for a long time. This includes reconversion of the mental attitudes of both management and employees to intensive, aggressive selling and clever merchandising.

It includes, too, a changed attitude toward the customer, who is tired of being considered a pest and a needler.

Perhaps your own attitude toward some of your suppliers during the war will help you appreciate this customer slant. As Dr.

Paul H. Nystrom recently stated:

"Those responsible for advertising and selling will be the shock troops in winning the prosperity of the postwar period."

It is expected that in a few months production will have ceased to be our problem. Instead it will be one of fast turnover and highly competitive distribution to keep the huge output of factories and farms moving to consumers. Goods standing in retail warehouses and on dealer shelves will not keep factories running and men employed at good wages.

Mass production is inescapably dependent on mass distribution and aggressive selling of more goods at lower prices. The job retailers do will determine largely both the degree of future pros-

perity we attain and its stability. Soon production will catch up with accumulated need for goods. When it does, the retailer's job will begin in earnest. For durable goods that time is still some months away. For other goods it has already arrived. Shortages will disappear faster than you think.

Your problem for the past five years has been not one of selling, but of buying. A great vacuum market practically sucked the goods out of your hands as fast as you could get them. Many retailers have been lulled into a sense of false security in such lush times, and prudence has not been an outstanding virtue of retailers.

Are you really prepared to sell? The buyer's market is just around the corner, and so is tough and in-



creasing competition. On top of this there are many trends and changes which will greatly affect your business and its success or failure.

Changes in retailing and markets are usually slow. During the war they were great and fast. They will continue so.

There will be no revolution in distribution; but evolution and changes will come so fast that the uninformed will be at a hopeless disadvantage.

The next two or three years will see more changes than would ordinarily happen in ten. Keeping up with these changes will determine whether you sink or swim. A knowledge of the facts and their use in planning are your best protection.

Low price stores go up

LET'S take a look at some of the changes and trends that may influence your future as a retailer.

That popular American institution, the five-and-ten-cent store, is gone. Increased cost of goods, increased operating costs and sales taxes have killed the five-and-ten trade. And they have mortally wounded the 25 cent trade and

have made bad dents even in the dollar lines.

The limited-price variety store followed closely in the five-and-ten's wake. Its name already has been shortened to variety store and goods priced at more than \$100 are now not unusual. The dollar limit is rapidly becoming a memory. Variety stores sell merchandise in which mass sales at popular prices can be made, but popular prices change with the times and the purchasing power of dollars.

Both retailers and consumers may well ponder on the meaning of this. Consumers have a real stake in retailing. Their interest should be comparable.

Much of the greatly increased volume of drugstore sales during the past five years—in spite of fewer stores—came from adding non-drug lines. Today more than half of drugstore sales are in non-drug merchandise, ranging from lunches to alarm clocks, electrical appliances and glassware.

More than half our grocery stores are now carrying such items as aspirin, toothbrushes, shaving cream, sanitary napkins, station-

ery, razor blades, light bulbs and furniture polish. Even a medium-sized grocery store which used to number its items in hundreds now numbers them in thousands. There are more to come. The search for merchandise with better margins is causing unexpected types of goods to appear in stores.

The proportion of our total retail trade going through independent retailers declined from 77.6 to 74.7 per cent between our first and last Census of Business (1929-39), while the proportion going through chain stores showed a slight increase from 20.3 to 21.7 per cent of the total.

The proportion of trade sold through chains varies widely for different kinds of business. It is about 87 per cent in variety stores, 25 per cent in drugs and 32 per cent in groceries.

For the same period the number of independent stores increased by 244,000, and the number of chain stores decreased by 28,500.

Up to the early '30's the chains expanded by increasing the num-



Today's trends seem to favor the future growth of one-stop stores—supers and superettes

ber of stores. Their expansion since has been through the enlargement of their individual stores and the elimination of the smaller ones. This trend continued during the war and has not yet spent itself.

Chains have grown up

THE proportion of total retail trade sold through chains remained practically the same through the war period. They have grown up now and their proportion of total trade probably will remain about the same. They will merely get the same sized slice of a bigger retail pie.

No appreciable change in the number of department stores or their proportion of retail trade has taken place since 1929. They account for between nine and ten per cent fairly consistently and their number (excluding branches) hovers around 4,000. Their proportion of the total is not likely to change much in the near future, even with the advantages of cooperative buying and the establishment of neighborhood branches. They, too, will get the same sized slice from a larger pie.

Consumer cooperatives and direct-to-consumer selling have shown no appreciable trend during the past 20 years. Their combined

volume has never reached three per cent of our national retail trade. It is improbable that they will offer much competition to other types of retailers in the foreseeable future. Direct-to-consumer selling is too expensive in spite of uninformed opinions to the contrary.

Supermarkets and superettes (a smaller edition of the supermar-

ket), both independent and chain, will increase in numbers, total volume and the proportion of total retail trade. Specializing originally in standard brand packaged groceries, they are now selling frozen foods, cosmetics, proprietary products, meats and many other items. Some operate their own bakeries, candy factories and doughnut ma-

(Continued on page 72)

More than half the grocery stores sell such items as aspirin, stationery and light bulbs



The Press is Freedom's

RECENTLY I read about an American correspondent in a "liberated" Balkan country who was arguing with a Soviet marshal about freedom of the press. An American Army intelligence officer tried to clarify the discussion by interjecting:

"In our country we let newspapers print what they please."

The correspondent turned hotly upon his compatriot.

"You don't understand any better than the marshal does," he complained. "You don't let us do anything. You have nothing to do with it. We can print what we please because the Constitution guarantees us that right."

He was correct. Our Constitution permits any newspaper to print whatever its owners and editors may choose—true or false, wise or foolish, dignified or silly, helpful or harmful.

In practice, that absolute right is exercised with discretion. In time of war, newspapers voluntarily censor their columns so as not to aid an enemy. Always they try to shun offenses against good taste and common decency, to guard against successful actions for civil libel, and to avoid criminal liability for obscenity, scurrility, contempt of court or libel.

But such restraints are purely optional. With us freedom of the

press is not a limited or revocable privilege. It is an untrammelled, basic, inalienable right. If it is abused, punishment can follow. But for him who is willing to risk such punishment—afterward—there is neither machinery nor constitutional right by which anybody can forbid any publication—in advance—to print the most grossly unethical, immoral, indecent or unpatriotic material its staff is capable of concocting.

As statesmen try to patch together the pieces left by World War II, and to foreguard against another even more disastrous conflict, there is urgent demand that the Anglo-American concept of a



LEWIS DANIEL

Skirmish Line

By S. BURTON HEATH

A PULITZER prize winner explains why censorship at any level can curb freedom by taking away "the right to read"

completely free press be extended throughout the world.

Newspapermen naturally are prominent in this campaign. But so also are statesmen who have no connection with the press. Both argue that wars gestate in ignorance and misunderstanding, as well as in nationalism and avarice—that the free interchange of news and views among all peoples would go far toward creating an

atmosphere in which future wars would find it hard to breed.

It may be paradoxical that this attempt to sell freedom of the press to the rest of the world comes at a time when many Americans feel that our own press has turned liberty into license, and thereby has lost much of its readers' confidence—at a time when many who call themselves liberals, and others who admit to being conservatives,

would like to see blinders and hobbles put on American newspapers. It comes, too, just when the "liberal" British Labor party is launching an inquiry into the allegedly monopolistic and reactionary control of that nation's press.

Both as a working newspaperman and as a Noah Webster variety of liberal, I am shocked and alarmed by the frequency and the casualness with which I hear the remark:

"Oh, that! That's just a newspaper story."

For much about the American press I am apologetic. No newspaper of my acquaintance lives up to

its potentialities. No editorial staff of my knowledge is free from unsound judgment and occasional bad taste. Certain publishers and editors deliberately distort the news, both by selection and in presentation, to fit preconceived ideas. Too many reporters are casual, disinterested or lazy about ascertaining and checking relevant facts. Editorial writers often are slovenly and sometimes are calculatedly unfair in their analysis, interpretation and argument.

These things are unfortunate and make the press a legitimate target for stones cast by those in other professions that are themselves without sin.

Millennium isn't here

CIVILIZATION and public morality at long last have reached a state in which physicians never make errors of diagnosis or prescription; attorneys refuse to defend arrant scoundrels or encourage avoidable litigation for their own enrichment; butchers no longer weigh their thick thumbs with the filet mignon; no plumber would dream of substituting cheaper iron for the brass pipe specified in the contract; landlords scorn to take advantage of the housing shortage; the traveling salesman has for-

gotten how to pad expense accounts; the hired hand never naps under a tree while the farmer is gone to town; and housewives would be ashamed to gossip about the widow who entertained late, because really they have no idea what actually did happen behind lowered shades.

In this millennium it is regrettable that the men and women who create newspapers have lagged morally and ethically. They still include some who are prone to carelessness, laziness, ignorance, bad judgment, depraved taste, bias, partisanship, gossip, mental dishonesty. Their product reflects their faults.

Yet there is no justification for the that's-just-a-newspaper-story attitude. In general, with some exceptions that are pretty well recognized, you can rely quite confidently on what you read in the newspapers. There will be lots of things you might wish weren't true, but most of them are. Life is like that.

I am one who deplores what I consider the bias with which *PM* and the communist *Daily Worker* fill what they call their news columns. Reading their alleged facts makes me curious to learn what actually did happen. Thereby they do me a favor. By the same token,

I would not base opinions on political stories in the *Chicago Tribune*. The sins of *PM*, the *Daily Worker* and other radical publications convince some conservatives that freedom of the press should be curbed. Radicals masquerading as liberals feel the same way about the *Chicago Tribune*, the *New York Daily News*, the Hearst papers, the *Washington Times-Herald* and their like.

But I suggest that freedom of the press is both proven and justified by the mere fact that the *Chicago Tribune* and the *Chicago Sun*, *PM* and the *New York Daily News*, *Reader's Digest* and the *New Masses* can and do flourish side by side.

Such a situation would be impossible in any authoritarian country. One group, uncritically sympathetic with the dictatorship, would survive. The other would either "reform" or be liquidated.

Buy news as you like it

BECAUSE you live in a democracy with a free press, a nickel gives you unchallenged access to the news as presented by journals that do their imperfect best to be completely objective. Or, if you prefer, that same nickel will buy news distorted to fit any of many ideologies. If you suspect that one newspaper is tailoring facts to benefit one side in a controversy, there always is another that is just as ardently for the other side.

In Russia, which has no free press, you could learn exactly what Stalin chose to have you believe. No newspaper is permitted to print anything else either as news or as opinion. But in the United States it is your own fault if you fail to get every pertinent fact on every side of any issue of the slightest consequence.

Out of more than 30 years' experience on weekly and daily newspapers, press association and syndicates—with some public relations thrown in—I have acquired certain firm ideas about newspapers in general.

Most of them, and most of the publishers, editors and reporters, are at least as honest as the average in any business or profession.

Most of them are as moral, as ethical, and more aggressively conscientious than the general levels of the communities or of the nation as a whole.

Most of their mistakes stem from mortal weaknesses—ignorance, educational deficiencies, shortsightedness, carelessness, haste,

(Continued on page 68)



Waterbury, Conn., papers devoted some 12 years to breaking up a city hall ring that robbed taxpayers of more than \$3,500,000

A Journey Through Socialism

By J. LACEY REYNOLDS

BRITAIN, used to a Spartan-like existence from war days, finds that life under the Labor Government is a trifle better. There are no air raids now

NEARLY two years after V-E Day, the British mind still responds to that same sense of emergency that carried it through the war. Whether socialism is responsible for this phenomenon, or whether the phenomenon is responsible for socialism, is immaterial. The fact is that it does exist and smooths the way for the Labor Government's reforms.

Take the attitude toward rationing, for example. The moment the war was over, the American mind began to chafe under further rationing. But not the British.

The sentiment for rationing is still so strong that even the highest government officials have underestimated it there. They did so last year in the Battlesby by-election, shortly after bread rationing had been imposed over sharp opposition from the press.

Accepting the vote as a crucial political test, the Labor party wheeled out its heaviest artillery—John Strachey, minister of food. He was sent scurrying down from Whitehall with an armload of facts to explain why bread should be rationed.

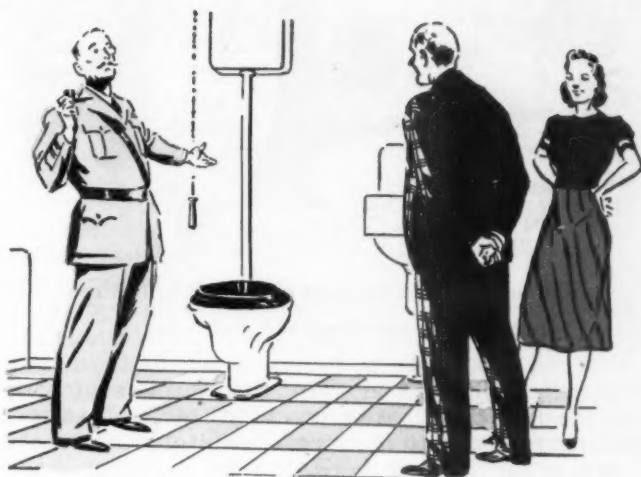
When he got there he was surprised to find no opposition. On the contrary, he encountered criticism for not putting cakes on the ration list as well. The complaint was that cakes were still being sold under-the-counter to favored customers.

A STRIKING FEATURE of socialized life is standardization. Under efforts to produce quickly, clothing tends to become stylized, furniture designs become uniform, and homes become niches in row-



Londoners will queue up for almost anything, and often appear to do so just for the idea

NATION'S BUSINESS for February, 1947



GEORGE GIBBONS

Socialized life means standardization, even to the manufacture of chain-pull type lavatories

houses—all of similar plan and without distinction one from another.

The same applies to plumbing fixtures, as I learned from a British Army couple who were restoring a bombed-out house in London's swanky Chelsea.

They came in due course to installing the toilets. Going to a plumbing fixture dealer, they explained they wanted something modern in pale blue or plain white to fit into the blue-and-white color scheme they had chosen.

"I'm sorry," replied the dealer. "But you know the only toilet fixtures we have are the old chain-pull type. You see, people were accustomed to the chain-pull, and the Government has selected that type to manufacture to expedite production."

Rejecting these Victorian monstrosities, my friends finally located more modern fixtures in a salvage shop. But these toilets lacked both seats and tops.

So again they went to the dealer, but again standardization thwarted them.

"I'm sorry," explained the dealer, "but the only color we carry in toilet seats is black. Standardization, you know, in order to expedite production. And as for tops, I am sorry but they are unavailable. Manufacture has been prohibited to save materials."

Sometime later, the British colonel showed me the finished bath. The black toilet seat gaped like an uncovered manhole, shattering the pastel harmony of the color scheme.

"Why don't you paint it?" I asked.

"No, we have decided to preserve it as it is—as a sort of national monument. You see," he explained caustically, "we have dedicated it to the achievements of socialism."

I SPENT AN HOUR one morning discussing socialism with one of the master planners charged with putting the Government's program into effect. Throughout the conversation he kept enumerat-



Britons flock to fashion shows despite the fact that they can't buy the creations

ing, rather glibly, I thought, the sizable sums the Government planned to put into this or that socialized industry, in the form of capital investment.

My mind flashed back to the question Rep. Robert Rich, Pennsylvania Republican, invariably put in the House of Representatives whenever a large New Deal appropriation was being debated: "Where're we going to get the money?"

When I put the same question, the official was not the least fazed.

"What's money any more?" he responded. "It is production and the tools of production that count."

AMERICANS don't like queuing up. Especially those who spent much of their time in the armed forces standing in line.

But the British seem to enjoy it. Londoners queue for taxicabs, for ration books, for groceries, and at times, it seemed to me, just for the sake of queuing. Late in the evening, long after the rush hour, I have noticed three people queued up to catch an empty bus. A fourth will come along and stolidly join the queue, when he might as well be relaxing on a park bench nearby.

I must have run into "queue week" in London. People queued eight abreast for four or five hours to get into the "Britain Can Make It" trade exhibition. Others stood in line all night to see the Old Vic



It is the men in the shops who run England today, because they run the Government

Players in "King Lear" or to get seats to the sensational trial of girl-murderer Heath.

"What a nation of grand standers we have become!" commented the *London Observer*, in a column headed "Our Upright People."

"War taught the citizen and housewife their vertical station, and we seem to fall into line naturally nowadays," the writer continued.

"This orderly and patient stance is no doubt better than the anarchy of push and shove. But what of the physical consequence? What of the varicose vein, the fallen arch? Excessive uprightness of this kind may later have its surgical penalties."

PAUL GALLICO, the magazine writer, remarked recently that a salient feature of British postwar character is delight in self-torture.

He cited the throngs that flocked to the "Britain Can Make It" show to feast their eyes on things that Britain could make but could not have because of the current export drive.

As Gallico pointed out—and as I observed—those wide-eyed crowds resembled nothing so much as ragged, indigent children who press their noses against the windows of toyshops at Christmastime.



The British farmer shares with his American brother hatred for official questionnaires

In much the same way, Britons tantalize themselves with newspaper photographs of foreigners feasting on mounds of food. They flock to style shows, knowing full well they haven't the ration points to purchase any of the luxury creations there.

They look shabby but pridefully so. They consider it fashionable to be well-mended. They revel in "austerity."

As if there weren't enough austerity already, some socialists are asking for more!

A Labor women's conference at Hastings recently urged the Government to abolish banquets and "other luxury feeding" and to ban fox-hunting. Not only does fox-hunting damage crops, argued the austere ladies, but "in these days of acute shortages of food throughout the world, the feeding of animals (foxhounds) for this sport of the few is a disgrace."

I asked a veteran Labor party leader why the British, who love the comforts of life as passionately as any other people on earth, accept their present Spartan existence with such resignation.

"We are so relieved to be rid of the bombings," she replied. "Now I can take a bath and float around



Irate mothers gave the Government a bad time after the pram quota was exhausted

and relax without having to keep my jumpers at hand to dash to a shelter in case of an air raid."

Call it what you may—resignation or relief—but this state of mind is a God-send to those who are socializing the realm. For as long as it lasts, it gives them time to experiment and reform, before that inevitable day when they must make good on their promise of a more abundant life.

MANY COMPLAINTS that are being lodged against Britain's Labor Government have a familiar American ring. They are similar to those lodged against the New Deal.

Our fears of a concentration of power in the federal Government, for example, have their counterpart in England. The stately London *Times* knits its brows over "portents" that government legislation will deprive local government authorities of important functions. It speaks of "rapidly growing petty interferences from Whitehall" with this admonition:

"Anything which depresses their freedom and public spirit is a serious disservice to the country."

Another familiar complaint centers about the number of questionnaires that must be filled out.

A farmer who wanted a small amount of building material for repairs complained that his questionnaire was returned 18 days later with a request to



With all the current changes the British still love the pomp and ceremony of olden times

fill out a new type of form. It took him three weeks to obtain the new blanks, and he was incensed.

It has been estimated that the British people fill out 2,000,000,000 forms each year, or an average of one a week for every adult. This covers income tax returns, war records, fuel forms, applications for ration books, identity registration, and so on.

THE SOCIALIST regime has assembled in Whitehall a dazzling array of brains. Not since Franklin D. Roosevelt brought his Brain Trust to Washington has so much intellect and idealism been gathered together in one place.

The college professor is intermingled with the self-educated workman who has pushed his way up through Labor party councils to exercise his sharp tongue and wit in public office. These, together with labor union leaders, constitute Britain's new governing class.

But the expected proportion of crackpots and crackpot ideas are beginning to appear.

An aged physician, recently appointed as child nutrition adviser in northern England, is urging the Ministry of Health to adopt his "tablet meal" for school children. The tablet is a combination of



While child labor is barred here, the British Government advertises for boy coal miners

dried milk, peanut oil and yeast, two inches square. It would create a pigtail rebellion if forced down the throats of school children.

Lewis Silkin, minister of town and country planning, recently popped up with an idea for "communal cooking" that many of his countrymen evidently thought crackpot-ish.

He suggested that new towns to be built on the perimeter of London should consist of "small groups of houses around centers providing facilities for communal cooking, with meals distributed in containers to individual homes."

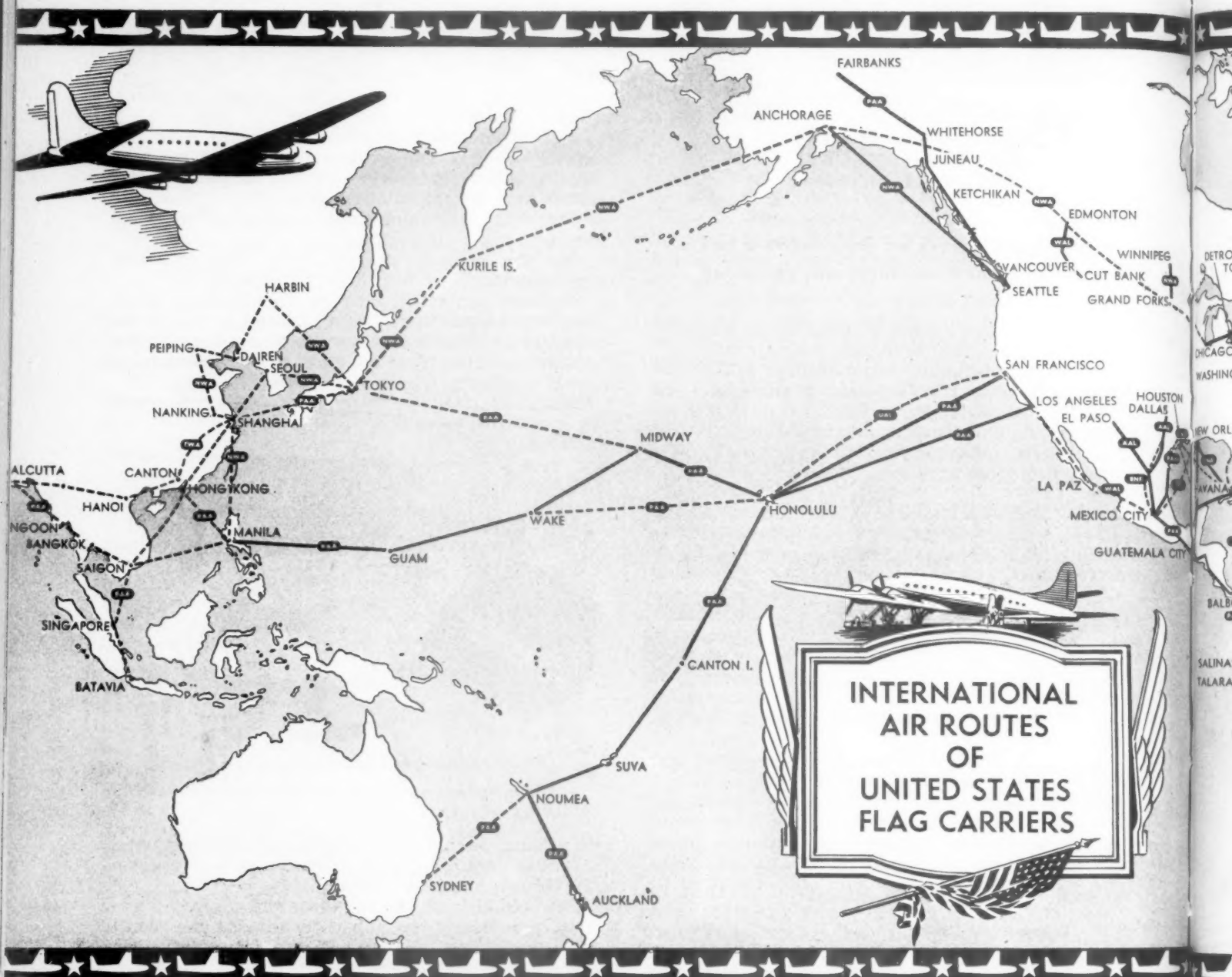
His audience did not respond too warmly. One woman listener was cheered loudly when she responded:

"The true foundation of happiness in this country is a decent home for each family. Give them amenities and privacy."

MUCH OF THE success of the Socialists is due to their superb mastery of the English language. In their use of the artful phrase, they run rings around the Conservatives with their heavy clichés.

For example, Conservatives refer to England's
(Continued on page 79)

Flying Dollars—Key to



IT MAKES no difference whether you have itchy feet and a yen to see new places or whether you never expect to leave your front porch. Air transport, for better or for worse, is sweeping us into a new world and we can't escape its implications.

Before the end of next year, for example, you will be able to fly in air-conditioned comfort over a network of world routes totaling more than a third of a million miles. At sustained speeds of 300 miles an hour or more, you'll be able to leave, say, Washington,

D. C., after lunch one day and have breakfast the following morning in any capital of any country in Latin America or Europe—in Paris, France, or in Rio de Janeiro, Brazil; in Cairo, Egypt, or in Santiago, Chile; in Athens or in La Paz.

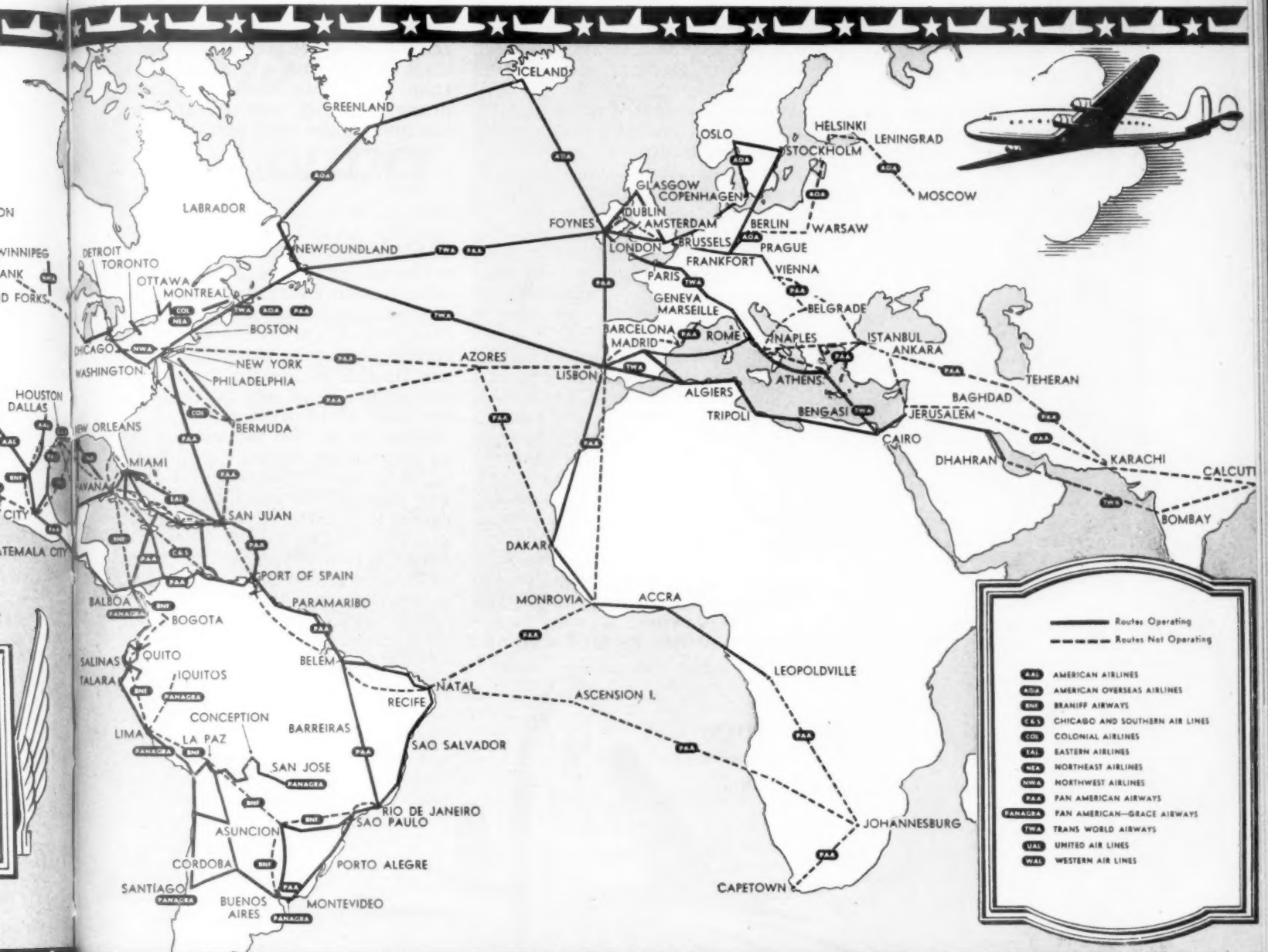
That's the measure of our immediate postwar world—between lunch and breakfast. The world your children will grow up in. The world you and I have got to adjust our thinking to.

In a series of historic decisions, the Civil Aeronautics Board has

recently outlined the postwar pattern of American operations abroad. In the transatlantic field, American Airlines through its subsidiary, American Overseas Airlines, has been authorized to link the British Isles and Europe north of the 50th parallel with Boston, Chicago, Detroit, New York, Philadelphia, and Washington. TWA—which now stands for "Trans World Airline"—(it used to mean "Transcontinental & Western Air") was awarded routes to Paris and the countries bordering the Mediterranean, enroute to India. Pan

to a New World

By J. PARKER VAN ZANDT



CIVIL AERONAUTICS BOARD

PLANE travel at prices within the reach of almost everybody can provide an "import" that will solve our foreign commerce problems

American Airways was assigned the region between the other two, through London, central Europe and Turkey, to Calcutta, India.

In the Latin American area, Chicago and Southern Air Lines was extended from Houston and New Orleans, across the Caribbean Sea to Venezuela. Braniff Airways

was authorized to fly from Texas to Mexico City, and on down to Rio de Janeiro, Brazil, and Buenos Aires, Argentina. Eastern Air Lines added Mexico City and Puerto Rico to its airway network; National Airlines, Havana; and Colonial Airlines, Bermuda. Two other American carriers were given

routes to Mexico City; and Pan American had a number of new routes and services added to its extensive system.

In the Pacific, the strategic short route to Asia via Alaska was awarded to Northwest Airlines. TWA won an extension from India to meet Northwest Airlines at Shanghai, China, thus making possible a joint all-American round-the-world air service. Another all-American route around the world was created by authorizing Pan American to extend from Hong Kong to India. United Air

Lines was certificated to fly between San Francisco and Honolulu. The basic pattern of American-flag world airways was completed last August when Pan American was awarded routes to Johannesburg and Capetown, South Africa.

Foreign lines active

MEANWHILE, foreign-flag air carriers have not been idle. In almost every part of the world new air routes have been springing up. Five foreign airlines have been operating regularly across the North Atlantic ever since last fall, and others have announced plans for additional transatlantic services. Already the world's international airlines bear the flags of more than 35 nations.

The luxurious new airliners in which you will ride this year or next, with 50 or more other passengers, at cruising speeds of 300 miles an hour or more, are not the last word. They're only a transition stage. As Glenn L. Martin has recently pointed out, "we now know how to build a jet transport that will carry 75 passengers 3,000 miles nonstop at 500 miles per hour cruising speed."

The field for aircraft and engine development today is broader than ever before. Dramatic in-

creases in the speeds of international airliners are certain to come. By the time your children now in elementary school are graduated from college, velocities above the speed of sound, which is about 760 miles an hour, will have begun to come into commercial use.

Peter Masefield, newly appointed director of projects and planning for the British Ministry of Civil Aviation, has stated flatly that "in the next 15 years we are going to see speeds multiplied ten times." Sooner or later—in two or three decades at most—we'll be able to travel on the trunk air routes of the world faster than the sun travels overhead. Leaving London after lunch, for example, we may arrive in New York or San Francisco before the lunch hour, local time!

Before the war, international travel was a luxury relatively few could afford. Except for strictly business trips, only retired couples or persons in the higher income brackets could find both the time and money it required. A visit to the Holy Land, for example, meant a round-trip ocean voyage of more than 30 days from New York for the ordinary overseas tourist. Now, no place on earth will be more than one or two days away. The new pattern of world airways eliminates the time factor heretofore

involved in international travel. First-class passage to Europe on the fastest steamers, like the *Queen Mary*, used to cost around nine cents per passenger mile. That was the minimum. Even on the slower boats the cheapest first-class accommodations were five cents a mile. Second- and tourist-class minimums averaged more than four cents. With wages and prices going up, postwar charges are likely to be even higher.

Travel costs decrease

NOT so with postwar air travel. The new types of aircraft used in long-distance volume operations make possible remarkable reductions in unit charges. It cost \$360, for example, before the war, to fly from San Francisco to Honolulu, 2,400 miles across the Pacific. You can fly this spring for \$125—at a rate of five cents against the pre-war rate of 15 cents per mile. In its application last fall for domestic long-range routes, Pan American Airways offered to fly at one-way fares of four cents a mile, and round-trip fares of 3.6 cents. It won't be long now—a few years at most—before international fares of three or four cents a mile will be entirely practicable.

This means that a wage earner
(Continued on page 75)

Daily flights may soon link such cities as Washington, New York and Chicago with Cairo, Capetown, Shanghai, and Rio



The Farm Pays Off in Living

By JUNIUS B. WOOD

THE COUNTRY now combines the joys of city life with others, peculiarly its own

FOR A CENTURY the opportunities and the glamour of the city have attracted young people from the farms. In these years, too, life on the farm has changed from the back-breaking toil and isolation of grandfather's days.

With hard roads and automobiles, the drive to town which used to kill a day and was made only in good weather is now only a short distance at any time of the year. The farm home may have electricity, gas or oil for heating or cooking, telephone, radio and other modern trimmings. A power pump has replaced the windmill and bucket in the well. Consolidated schools and buses doom the little red schoolhouse and frost-bitten noses. The only wood chopped is



Phyllis Bonnater, an Iowa lass, raised this prize-winning Hereford



Bob Houser's "project" was to raise this black Aberdeen Angus steer



The Breckbill place in Lancaster County, Pa., is not large. But it does have a big, old house, a big barn and out buildings, and well-kept grounds—living proof that a little farm can be made to pay

for the parlor fireplace. All work is lighter.

For these reasons, now that the war fervor and its lush city pay checks are gone, city people are rediscovering the farm. As always, the land seems to offer a stable bulwark against the uncertainties and unrest of the months immediately ahead. Production and income may shrink or expand according to the hazards of nature and markets but, no matter what happens in a complex world, the farm will be there to provide shelter and sustenance for those who live on it.

This thought appeals to those who are not so young and for whom the city's bright lights no longer compensate for the mauling that goes with its traffic.

The fact that farming, by its nature, is an independent enterprise, probably the most independent enterprise in the country, provides a lure for young couples planning their future and for those receiving benefits under the GI Bill of Rights. Some of these have begun to wonder if a farm may not be a safer investment than a filling station, tavern or other small business.

In the minds of many who plan to continue to work in town five days a week, "a little place in the country" seems desirable as an oil slick on the troubled economic waters of industry. Off days and leisure hours in the stock barn or garden plot appear to promise not

only better bank balances but better health as well.

Most people who dream these dreams will do nothing about them. Those who do act will have better success if they first get practical answers to several practical questions:

Questions on farming

HOW big should a farm be?

How much work does it require?

What kind of living will it provide?

And, most important, what satisfactions come from this way of life that are lacking in the city?

To these questions, Lancaster County, Pa., provides answers by demonstration. This county, with 84 per cent of its 945 square miles in farms, is the outstanding farming community of this country, if not of the world. Guided by F. S.

Bucher, county agricultural agent, I recently spent several days there.

Bucher is "Pennsylvania Dutch" and his 8,000 rural protégés may answer, "Never heard of him," if he is not referred to as "Dutch Booker." In gray flannel shirt and leather puttees, he had a noon hour between conferences—not for lunch but for waiting callers—the day I met him. A young man hesitated to sell his home-grown Christmas trees in the city without inspection. A farmer looking like a business man needed an OK on a stripped field to collect the \$3.50 an acre government bonus.

A bright-eyed youth reported that he already was there with a car to take the county agent out at daybreak the next day to supervise a stripping job on his dad's farm. A field is staked into strips following the contour of a slope. Crops and pasture are then alter-



CHICAGO TRIBUNE

One of the major aims of 4-H Clubs is the development of good health



U. S. DEPARTMENT OF AGRICULTURE

Even established farmers profit by watching what their neighbors are doing. This farm family is studying a land use map of their county

nated on the strips to stop erosion. Agent Bucher's head apparently carried a picture of every farm in the county, including livestock, fields and buildings. He penciled dots on a map, locating a few which might be seen in two days.

First lesson to be learned from this man was that those who are ambitious to be farmers need not wait until they can afford 1,000 acres and \$10,000 worth of machinery. A survey by the Senate Small Business Committee of two California farm communities—one of big farms and the other of small family-size farms—showed that the small owners supported more business establishments, had a higher standard of living, more

Your Heart

is a wonderfully dependable

organ.



It beats about 100,000 times a day, yet rarely fails before old age



unless it has been abused, or weakened by disease. The commonest abuses which put extra strain on the heart are *overweight* and

excessive exertion,



especially after age 40.

Fear of heart ailments is often groundless, so, if you are worried about your heart—*see a doctor!*



Remember, even with a weakened heart you can usually lead *a happy, useful life!*

Medical science is on the march against heart disease

Heart ailments account for almost one third of all deaths in this country. They are caused chiefly by rheumatic fever, high blood pressure, kidney diseases, syphilis, and hardening of the arteries—especially those supplying the heart itself. Early discovery and prompt treatment of these diseases are most important in reducing the danger of serious heart damage.

Medical science is giving increased attention to studies of the heart. Notable advances have already been scored. New drugs and new techniques are opening up more avenues of investigation. Many organizations encourage this great work. For example, the Life Insurance Medical

Research Fund, supported by 148 Life Insurance Companies in the U. S. and Canada, makes grants for special studies in heart disease.

What should you do for your heart?

Have a thorough physical examination every year. Take great care during convalescence from any infection. If you *should* develop heart disease, follow your physician's advice about proper rest, exercise, and diet, as well as about special drugs and medicines. To learn more about the heart, and the diseases that affect it, send for Metropolitan's free booklet, 17-P, "Your Heart."

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schools and churches and were economically stable.

Of Lancaster County's 8,823 farms, only eight are of more than 500 acres; 3,236 are less than 30—some as small as three. The county average is 57.7 acres.

As for income, 1,537 farms showed more than \$10,000, and 206 reported more than \$20,000 gross. Only 31 reported no income at all. Some 2,000 had incomes of less than \$1,000.

Of the farmers, 1,119 had five-days-a-week jobs off their farms for the entire year, whereas 944 worked 50 to 249 days away from the farm.

Farming part time

AMONG the part-time farmers is John H. Book, selected as typical by Wayne Rentschler, vocational supervisor of the township high school.

Mr. Book has 75 acres. Not caring to take on a sharecropper or to keep busy in winter by stripping tobacco—a Lancaster County custom—he works as a garage mechanic in those months. The farmhouse and buildings are about a mile up a dirt road from the hard road to Strasburg. I saw him in the corner leveler the yellow ears which a homemade, portable conveyor was feeding into the crib.

The conveyor was one of many examples on the Book farm of how a man who might tinker with model trains or ham radio in town can find a practical outlet for his hobby in the country.

Another was a mechanical cucumber picker which saved walking, backache and scuffed knees in gathering 3,264 baskets—25 pounds to each—of cucumbers off the five acres Mr. Book allotted to this crop last year.

Mr. Book raised early vegetables, ten acres of wheat, 15 of rye and 22 of corn, chickens and a couple of pigs this year. No horse or mule on the place.

Doubled in size

ABOUT five miles south of Lancaster on U. S. 222 is the Big Spring Farm of Harry F. Houser. It is distinguished by an ornamental rectangular, stone-walled pond and stone springhouse at the side of its driveway. In recent years, Mr. Houser has doubled the size of his former 45 acre farm.

"With 45 acres, I had to attend market," he says. "Now I can stay home and sell wholesale."

Darkness had fallen and the farm work was finished, but clocks had not struck six. As we sat in comfortable parlor chairs, he and his rosy-cheeked, 18 year old son Bob explained their farming routine.

"We consider 6 a.m. to 6 p.m. a good day's work," he said. "Farm work need not be drudgery. In the evenings the young people can study or go to meetings. We older ones are equally free."

"But we have stayed up all night with a sick steer," Bob added. "The chickens must be fed three times a day (his 15 year old sister prob-

ably does it) and this year the cool weather blighted the tomatoes. A hail storm can ruin our entire tobacco crop in 15 minutes."

"Then why are you so keen to be a farmer?" I asked.

"I'll be my own boss," he said.

Young Robert Houser's way of life may be interesting to those parents who worry about juvenile delinquency in town and whether their children would find interesting activities in the country.

The agricultural course—chemistry, physics and foreign languages are omitted although English and mathematics are required—which he is taking at the township high school makes him a member of the Future Farmers of America, an organization devoted to starting youngsters on farming as a business career. The FFA program includes monthly meetings, an annual husking bee, a three-day camping trip, a visit to the state college. In addition, each member is required to have a "project."

For 18 months the Houser project has been raising an Aberdeen Angus steer.

"What have you learned that you wouldn't know anyway from living on a farm?" I asked.

"Bookkeeping, improved stock feeding, many points of systematic farming and, more than all, how it can be interesting, stimulating and profitable," he explained.

With much snorting and many suspicious glances at me, the jet black steer was led out to be photographed the next morning.

"That's all right," Bob explained. "He must get used to strangers. I'm taking him to the Lancaster show this month and, if he gets a place there, to Harrisburg. If the judges decide he's as good as I think he is, he may see the big Chicago show." (He did win a prize at Lancaster and was sold for 44 cents a pound.)

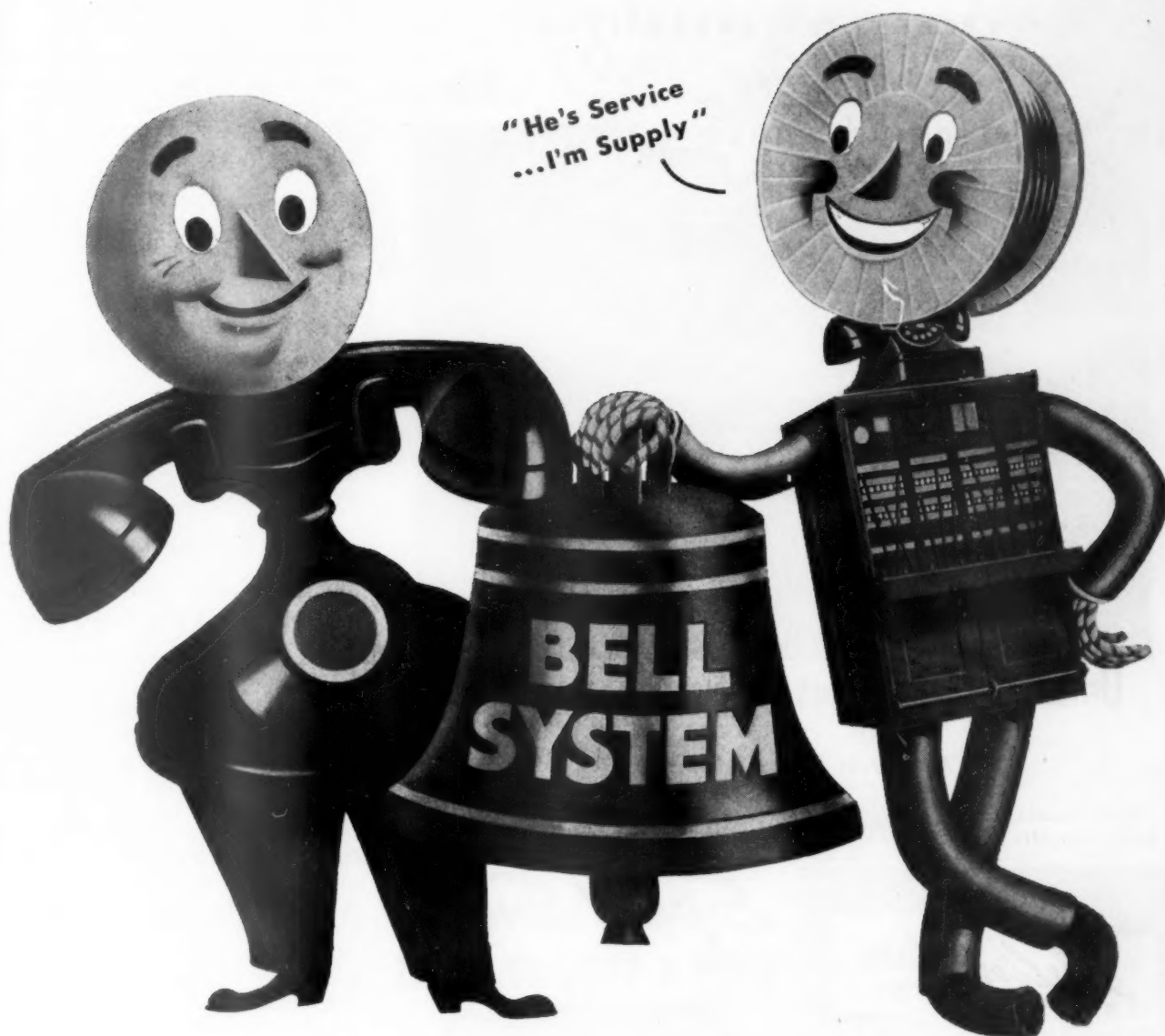
Farm youth get together

ALTHOUGH FFA has strictly a masculine membership, girls as well as boys belong to the 4-H Clubs (Head, Heart, Hands and Health) and many of the 1,700,000 members are past grade school age.

In cooperation with state colleges and county agencies, 4-H is part of the Department of Agriculture's Extension Service in farming and home economics. Its young farmers rate \$25,000,000 annual production. During the war, they produced 85,000 head of cattle, 6,500,000 chickens and 3,000,000 bushels of garden produce, as well as collecting train loads of scrap



This homemade conveyor of John Book, part-time farmer, is an example of how a man can make use of a hobby in the country



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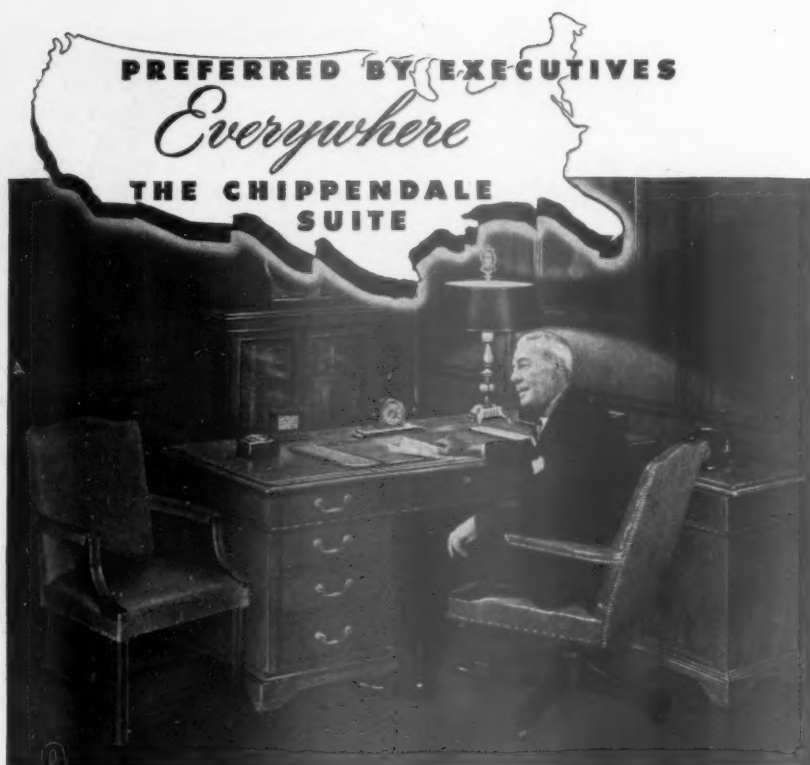


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metal and rubber, and buying \$6,000,000 of war bonds.

The young farmers—many only 12 years old, from 41 states, Canada and south of the border—brought so many prime steers (1,622) to the International Live Stock Exposition in Chicago, in December, 1946, that the final judging had to be limited to 600. While the high class culls brought each youngster \$300 or \$400, the 1,240 pound Hereford of Miss Phyllis Bonnater, 15, of Keswick, Ia., which went on to become junior grand champion, paid her \$5,580. When she bought it for \$60, 14 months earlier, it weighed 300 pounds. Wayne Disch, 16, of Evansville, Wis., got a record price of \$5 a pound for his 110 pound grand champion South-down wether.

A mechanized farm

AT the Houser farm apple trees and horses are out. Apples require too much attention for a small acreage and the last horse was a pensioner. Two tractors with attachments for different crops, two automobiles and more than 20 gasoline and electric motors for different appliances are the motive power.

Mr. Houser explained his crop: five acres are in peas, three in tomatoes, two in sweet corn, two in black raspberries and strawberries, four in tobacco to provide winter work in stripping. And for feed he has seven in corn, eight in wheat. The remainder is for hay and grazing. He buys ten 500 or 600 pound western cattle and 20 pigs to feed and produce fertilizer until they are fattened and sold.

He also buys 3,000 baby chicks, preferably Barred Rocks, a heavy crossbreed. When cockerels reach four pounds, thinning out starts. A thousand best pullets are kept for winter laying.

In June, two men and two tractors plow, cultivate and plant the five acres of peas in four days. Nothing more is done with them until they are harvested. Lima beans, cultivated three or four times, follow in the same field. Children pick the tomatoes and small fruit. The "blickt," a local idiom, cut tomatoes to two instead of ten tons an acre but raspberry bushes delivered between 50 and 60 crates an acre.

"It doesn't pay to shop around for low priced chicks or small fruit seedlings," Mr. Houser advised. "Better pay more for blood-tested and disease-free chicks and state-certified plants."

(Continued on page 82)



A SNOW MAN GAVE ME A HOT IDEA

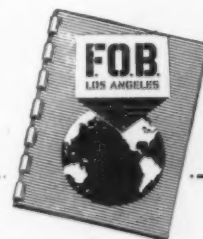


"It was just a kid's stunt, but that snow man with his sign gave me an idea. Everybody is talking about the West. People are moving West. They are taking markets with them. Labor and executive talent, too. And Los Angeles is getting the lion's share of that Westward trend.

"We have to have more production capacity. So why not build that new plant in Los Angeles?"



Good idea, Sir, for lots of sound, economic reasons — the same reasons that influenced 245 new plants to announce Los Angeles as their choice during the first eleven months of 1946. Let us tell you about them.



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NATION'S BUSINESS for February, 1947

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Miss Pushbutton, Take

By JACK B. WALLACH



One of the larger devices now being used is a print-maker, which will reproduce almost anything in a few minutes

I GRAZED elbows with a wholesale merchant the other day as he pressed a button on a billing machine. Quicker than you could say, "I'll take the same," he had a completely filled out order form backed by seven copies.

In addition to the usual data, the customer's name and address, amount and specifications of the order, it included the salesman's name, percentage and amount of his commission, and other office statistics.

The demonstrator accomplished this by merely inserting a punch card in the machine. He explained that it would be just as simple to run the card through the machine again to draw a record on the customer's past purchases, promptness in paying his bills, and almost anything else a business firm might require.

"Sure the machine costs a wad of dough," he said, "but even if it didn't pay for itself in payroll savings—which it does—it still would



PHOTOS BY R. S. NESMITH

The author registers astonishment as an electric punch card machine discloses the payment due a salesman. Sales transaction cards are fed in automatically from the holder on the left

e a Letter

BUSINESS machines today do everything except take your secretary out to lunch. Some of their feats in speed and accuracy baffle the experts



Mr. Wallach checks a voice-recording machine that takes down telephone conversation and dictation

be cheap. Now that we have this machine, labor turnover isn't any headache and expense any more. There's no need any longer to 'break in' help.

"Besides, it's as fast as thought and infinitely more accurate," he added. "It tells us to the yard how much of any fabric we're carrying in our inventory. It tells us just as precisely our sales experience in any style or color. The time lapse between what we wish to know and what we can find out is the second elapsed in the pushing of a button."

Later that day I visited another wholesaler who had no mechanical robot to do his bidding. Significantly, too, he had 30 clerks in his bookkeeping and



R. I. HESMITH

This is a billing machine being used by a specialty store to get out daily reports

billing department, as compared to the four I had encountered on the mechanized wholesaler's premises.

Of course, all business equipment must be cut to the size of one's operations, but the ultimate in mechanization is an eye-opener to the uninitiated.

Case-hardened business machine folk yawn at such feats as taking a complete inventory in ten seconds, or calculating to the last penny the amount to which an expense account has been padded.

But such machines fail to tell the whole story. American inventive genius is just as astounding when it comes to microfilm, duplicating material and equipment, electronics, or extraordinary office furniture. I came across an example of the latter in the office of an advertising agency executive. He sat at what he called the desk of tomorrow.

As I entered, he appeared to be talking casually. Then he buzzed for his secretary to type the letters he had been dictating. He opened a drawer and I heard the market closing prices being broadcast. He pulled an electric razor out of a cleverly concealed crevice and started to shear off a faint three

o'clock shadow before an upcoming conference with a client.

As he put the desk through its paces a cigarette fell off a tray. He restrained my impulse to replace it. He insisted that I sit back and wait for it to burn down. When the cigarette had burned itself out, he invited me to examine the unmarred finish of the desk.

My attention next was called to runners, rather than legs, upon which the desk rested. The desk-top itself had an expansive overhang so that five or six men could sit around it comfortably for a meeting.

The companion chair had a mechanism that adjusted it to every tilt of a sitter's body, but, at the same time, permitted one to keep his feet on the floor.

No industry overlooked

THE wizards of business machines haven't overlooked a single industry or trade. In the central offices of some of the nation's giant variety and apparel chain organizations are punch card machines that explain the amazing efficiency of their unit control systems. Every item's price ticket has a detachable stub which is sent into the home office after the article has been sold.



Mr. Wallach gets a close-up of a clerk feeding statements and charge slips into an automatic photographing machine

Daily, thousands of these stubs are run through machines. They keep the chains' managements continuously informed on the extent and make-up of their inventories. They also tell what is selling, in what quantity, and where.

Slow-moving items in one territory can be cross-shipped to another; a precise keying of goods to active demand, which means heavy, cumulative savings in mark-downs.

Variety is the spice of the machine age of business. For example, businesses that haven't yet grown into mechanized unit control systems will find others available.

For one modest-sized, but fast-growing enterprise, a business machine firm set up a system which consists of a duplicating machine that copies items from individual slips of paper on to a list without rewriting. The slips merely are fed into the machine.

Cash Registers: A separate chapter could be written on the tasks which the familiar cash register can perform. One of the country's largest department stores eliminated the special sales slips it had been using for charge and credit sales.

It learned that its cash registers were capable of handling such transactions. The savings it effected in employees' time were huge, but equally telling were the savings effected in customers' time.

Many leading stores use another time-saver and patience-conserving device. It's the charge account customer's name, address and account number plate. The customer making a purchase hands the plate to the salesperson. A stamping machine does the rest—and it assures the correct address. This device might be described as a sort of second cousin to the addressing machine.

New postage-meter machines handle mail with greater dispatch and are more adaptable to mailers' particular requirements. Some models also perform functions that formerly had to be handled manually.

Billing machines: Users of cyclical billing know, of course, about the files and machine units that facilitate this labor-saving method of doing the end-of-the-month, or first-of-the-month, chore.

A combined stencil and ledger card enable cyclical billers to divide their accounts receivable into the working days of the month. The usual end-of-the-month mountain of work thus is reduced to an even array of mole hills.

Retailers seem to have adopted cyclical billing more extensively than other business men, but public utilities led the way in many communities and it probably is only a matter of time before nearly all businesses that sell or serve the consumer will use this system.

Calculators: Calculating machines range all the way from the simple adding machine to the type familiar to savings bank depositors, which adds, subtracts and computes interest.

The granddaddy of them all is the huge machine that played so important a part in the calculations that went into the production of the first atomic bomb.

Modern calculating machines are faster, as the result of developments in the field of electronics, and more flexible in use.

Their potentialities are limitless. The atomic bomb calculator juggled figures in minutes that

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ways to make still finer, still more useful
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The **CHICAGO BRIDGE AND IRON COMPANY**
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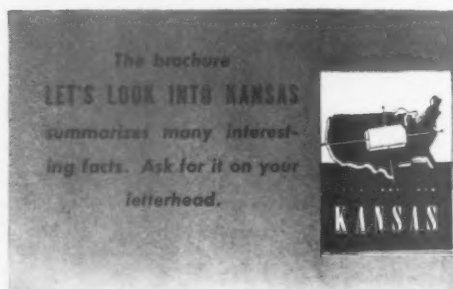
* Sympathetic understanding . . . cooperation . . . absence of factions and *special interests* are characteristic of Kansas. Management, Finance and Labor meet in frank discussions which iron out difficulties before they arise to disturb or destroy unity of thought and action. It was this give and take attitude that enabled Kansas

friendly legislation

Kansas tax and labor legislation are designed to maintain an equitable balance between capital and labor. The tax burden is equally distributed over all classes of property. Labor laws are fair and impartial, they defend against encroachment.

to produce some 4-billion dollars worth of essential war materials at a unit cost *substantially below the national average.*

Doesn't such an atmosphere warrant consideration in your plans for expansion and decentralization? Isn't it logical to expect that your production cost would be reduced and efficiency increased? Industries which have established themselves in Kansas have found this to be their experience.



KANSAS INDUSTRIAL DEVELOPMENT COMMISSION

William E. Long, Secretary-Director
807-A Harrison Street Topeka, Kansas

KANSAS *** REALLY** MEETS INDUSTRY HALF WAY

mathematicians would have needed years to work out.

Payroll and job-cost calculators are conspicuous everywhere. Two payroll calculators, department heads said, cut make-up time to less than half that formerly required.

The more involved type of device is calibrated according to an employer's wage-rates or job-costs, and its resultant scales of pay or costs are visible through three windows on the register's face.

The twirl of a knob selects the desired rate to give wages earned on regular, time and a half or double time.

The device will calculate pay down to a tenth of an hour and, if one wishes, it will convert weekly salaries into hourly rates or vice versa.

Voice Recorders: A recent arrival on the desks of progressive business men is the voice-recorder which preserves not only dictation, but across-the-desk dialogues and telephone conversations on an unbreakable seven-inch disc that carries 30 minutes of dictation or conversation on its plastic surface. Transcription from this recorder is made easy by application of another electronics principle that controls stopping, starting and back-spacing.

Another manufacturer's electronic voice-writer puts one's voice on a record with startling fidelity. The latter characteristic can be traced to the range of the microphone's pick-up. Two other features that also draw praise are automatic volume control and an immediate play-back arrangement.

A foot button starts and stops the voice-writer. It also was disclosed that, should one inadvertently try to dictate or record with the operating lever in the wrong position, a light would flash a silent warning.

Both of these devices leave one's hands free for other work, and one automatically compensates for lowered voice levels. When you first play back these voice recordings the effect is eerie. It is something like talking out loud to one's self.

Another large industrial plant uses a punch card machine that prepares payroll source records, computes, writes, and distributes payrolls, all in stride.

In one operation it also does such intricate feats as reconcile attendance time with job time, compute rates and extension of job

THE AIRCRAFT THAT couldn't fall

COST HANK PETERS \$9,262.16



Investigate this two-way protection of business property with E-M Fire Insurance

1. Protection through payment for loss—designed to meet modern business requirements. And remember—losses are greater today because property values are greatly increased. An Employers Mutuals man will help you estimate your requirements for adequate protection on building and contents, in relation to today's higher property values.

2. Protection through prevention of loss—important today because repairs and replacements are still difficult. Employers Mutuals Loss Prevention Service helps you stop fires before they start by showing you how to eliminate fire hazards. A free service for fire policyholders.

Loss Prevention Service is a part of the E-M Safety Program, nationally known for outstanding achievements in reducing accident rates. Like all E-M services, Loss Prevention operates for the benefit of the policyholders: to prevent losses, and to lower the cost of insurance.

Ask an Employers Mutuals man for a survey of your fire hazards, a recommendation for adequate protection, and a copy of "A Dictionary of Insurance Terms". Or write on your business letterhead to: Insurance Information Bureau, Employers Mutuals of Wausau, Wausau, Wisconsin.



Safety for home owners, too

You, too, need a Safety Program. Employers Mutuals engineers have worked out an easy-to-understand Fire Prevention Handbook. You get it with your residential fire policy. With it you can locate the fire hazards in your own home, eliminate most of them, and minimize the danger of the rest.

Send coupon for rate quotation on fire insurance for your home. We'll include a free copy of the Household Inventory Record Book—so valuable in case of loss.

EMPLOYERS MUTUAL LIABILITY INSURANCE COMPANY OF WISCONSIN

Established 1911

EMPLOYERS MUTUAL FIRE INSURANCE COMPANY

Established 1935

HOME OFFICE: WAUSAU, WISCONSIN



... MAKE
INSURANCE
UNDERSTANDABLE

Hank Peters was proud of his home. He had worked long and hard to get it. He was handy around the house, too—he painted woodwork, put up cabinets in the kitchen. He planted shrubbery and had a lawn put in. His wife made curtains and slip covers. Even the youngest boy helped refinish the old dining table last summer.

Hank carried insurance on his house and the furnishings. But when extended coverage was suggested for complete protection, Hank shook his head. Sure, he needed fire insurance—lots of people had fires. But tornadoes, explosions, riots, falling aircraft? Nothing like that could happen to his house.

So time went on, and the whole Peters family enjoyed the security of their home. Then, with a sudden, deafening roar, the accident that couldn't happen brought disaster. An airplane crashed into Hank's house.

Extended coverage would have added \$14.40 to Hank's insurance premium. But the accident that "couldn't happen" cost him \$9,262.16.

You can't afford to be a "Hank Peters"

Employers Mutuals Fire Insurance with Extended Coverage combines full protection with a substantial premium saving.

10 coverages, tightly interlocked in one simplified policy, protect your home or business property against: fire and lightning, windstorm, hail—natural elements that destroy without warning; explosion, caused by defective heating or mechanical equipment, or by malicious act; riot (too often excluded); falling aircraft and runaway vehicles; smoke—costly result of faulty heating equipment; even, if desired, additional living expense and rent loss.

EMPLOYERS MUTUALS WRITE:

Public Liability . . . Automobile . . . Plate Glass . . . Burglary . . . Workmen's Compensation . . . Fidelity Bonds . . . Group Health, Accident, Hospitalization . . . and other casualty insurance . . . Fire . . . Tornado . . . Extended Coverage . . . Inland Marine . . . and allied lines of insurance. All policies are nonassessable. Branch offices in principal cities. Consult your telephone directory.

Insurance Information Bureau, Employers Mutuals of Wausau, Wausau, Wis.
Send me the Household Inventory Record Book and rates on residential fire insurance with extended coverage.
Size of building _____ Today's Value \$ _____
(One family, duplex, number of apartments)
Construction _____ Roof _____
(Frame, brick, concrete, etc.) (Wood shingle, asbestos, tile, etc.)
Name _____
Address _____
City and State _____

When your trip is



RUSH

Or what you ship is



RUSH

Use the Flying **CLIPPERS**



When You Travel... fly by swift, comfortable Clipper! Service now to Mexico, West Indies, Central and South America, Europe, Africa, Alaska, Hawaii, Australasia... soon to the Near East and Far East. See your Travel Agent or Pan American for rates and reservations.

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PAN AMERICAN
WORLD AIRWAYS
The System of the Flying Clippers



time, put out with bonuses, compile social security and unemployment compensation insurance, and make retirement deductions.

Microfilm: The war made microfilm familiar to every user of the V-Mail, but the adaptation of microfilm to business needs is a relatively recent development. Before the war banks, insurance companies and public institutions were almost the only wide-scale users of microfilm records.

Microfilm has been defined as the "scientific use of photography for the condensation and preservation of records." Such records as a rule are made on 16 or 35 mm. film. Often when the latter is used it is slit into two rolls of 16 mm. width, but that is optional, and in some cases the 35 mm. size is the more desirable.

Microfilm records effect huge savings of storage and filing space. It has been estimated that the saving ranges as high as 99 per cent, despite the fact that these records also must be filed. Another advantage is that original documents, often irreplaceable, can be kept under lock and key, and yet their contents can be immediately available for use.

Offices and plants are utilizing microfilm facilities in various ways. Some users have contracted with a service that moves its operators and equipment to the business premises or, if it is preferred, films the records, documents, blueprints and what-nots in its branch office.

Equipment for this work may also be bought, rented, or used on a per-thousand basis or a particular job plan.

Other users have installed their own processing equipment. This usually comprises a camera unit, film processor, slitter, and a reader or viewer for the projection of the filmed records.

Practical business users say the operation requires no more technical skill than is needed to change the ribbon on a typewriter.

The cameras I saw taking prints handled copy 14 inches wide by any length, and neither clips nor staples had to be removed. Ordinary light bulbs were used, and pre-focussed lenses simplified the size reductions. The processors automatically developed the microfilm for use in approximately an hour.

Once the records have been filmed they can be read on the viewer's screen, visible through a window, in a normally lighted room. I was reminded in a law office that microfilm records are

accepted as legal evidence in federal courts.

Print-makers: Another new introduction of graphic art to general business is a print-making machine that is capturing the interest of engineering firms, advertising agencies, machine shops and sales departments. It, too, is a business machine that was tested and proved in war plants.

In one industrial plant such a machine is reproducing engineering drawings, operation sheets, typed reports and various other material on paper, cloth, foil and film with equal ease. It handles each job in two short steps, both automatic: exposure and dry development.

An exceedingly tidy machine, it returns originals and finished prints stacked in correct order, and in colors of one's choice.

Duplicators: Duplicating machines have been even more highly developed as additional uses for their services have been found until they have become virtually self-contained print shops in themselves. Many firms are using duplicators to turn out printed forms.

Among improvements on duplicators are feeds that won't clog, and handle almost any kind or size of paper. At least one duplicator can be fed paper while it is in operation.

Another duplicator will handle offset and relief duplicating with equal facility. More accurate registration makes it possible to entrust duplicators with multi-color work. Automatic inking features are common to virtually all duplicators, and constitute another time-saver.

An automatic, electric pen-and-ink rewriter machine is still another new gadget on the market. While its primary purpose is to reproduce original signatures, it rewrites hand writing automatically with unvarying precision.

All it asks is the first writing or signing of a letter. From that point on it reproduces the writing or signature as many times as desired.

Mail openers: Letter opening, always a tedious, time-consuming chore in business places, needn't be any longer. Letter-opening machines have been in use in mail order firms, among others, for many years, but new electric drive models now have appeared that are two and a half times as fast as the hand-operated machines.

The power-driven opener can

handle 52,000 letters a day, or 500 a minute. It's reckoned to be 25 times faster than the human hand.

Firms that receive hundreds of checks daily are appreciative users of an automatic check endorsing machine that endorses or cancels from 165 to 225 checks a minute. In some instances it is used with adding or posting machines so that checks can be listed and endorsed simultaneously.

Banks use such machines in combination with microfilming equipment. The checks are fed by an endorsing machine in a manner that saves time and handling.

Typewriters: Typewriting machines with interchangeable type serve as office composing machines. They offer as many as 600 different styles and sizes of type which can be changed in a few seconds.

As a rule the varied type typewriter is used to make a master copy which then is reproduced by a duplicating machine.

This combination achieves a printed effect without the expense of printing. Savings on printing bills are estimated to run as high as 80 per cent.

Among the typewriter specialties is a machine designed to handle continuous business forms. A special platen guards against slipping and an electric power drive makes the machine virtually effortless for the operator.

Specially developed paper literally gears it to the platen. If one calculates the time it takes to insert forms into an ordinary typewriter, this machine would need no further recommendation.

Another entry in the typewriter derby is the automatic machine which, after being "set" for a letter, types it faster than human hands can fly.

This machine is in heavy use in offices where standardized letters are routine.

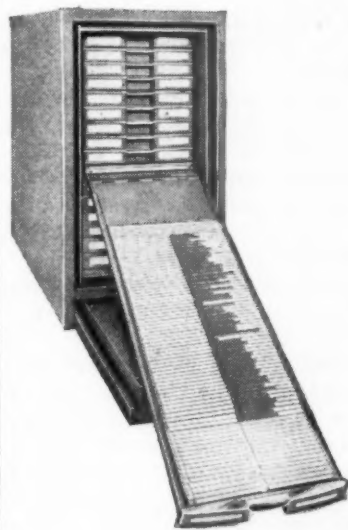
Usually the character of this correspondence makes it desirable that each letter be completely written with proper dates, quantities of material, amounts and similar data. The automatic machine typewriter types the standardized parts of the letter, while human typists fill in other necessary data.

Manufacturers producing the best equipment available today are working on even better equipment for tomorrow. They are without peers, and their contribution to American business goes far toward explaining its consistent ability to do its job in quicker time, with fewer hands and at lower cost.

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Some of today's higher costs can't be avoided, but you can sharply reduce your *controllable costs* by simplifying systems and procedures throughout your organization.

EXAMPLE: One wholesaler recently adopted a Kardex-simplified stock control system that:

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Whatever type of business you are in, and whether your costs are high in sales...inventory...production...ledger...or personnel, Remington Rand simplified systems can pay you extra savings by reducing these *controllable costs*. Let's talk it over! Phone our nearest office for booklet GRAPH-A-MATIC MANAGEMENT CONTROL, or write SYSTEMS DIVISION, 315 FOURTH AVENUE, NEW YORK 10, N. Y.

Remington Rand

THE FIRST NAME IN BUSINESS SYSTEMS

The Press is Freedom's Skirmish Line

(Continued from page 46)

bad judgment, questionable taste. But they err less frequently than do the practitioners of most professions, because of the legal and economic penalties that attach to serious error in print.

And most of them devote more time, effort and money to public service, at more risk to their own security, with less hope of direct profit, than any other class unless it be the clergy.

There are many exceptions to these generalities—too many. But there are both legal and economic sanctions by which they can be punished. The way to limit abuses is not by whittling down the utter freedom of publication they now enjoy.

Any slightest curb on that freedom, however great the provocation, involves censorship, which by definition must be administered by censors. At best, censors tend to be bureaucrats. At worst, they become iron curtains behind whose impenetrable veil there is no protection for the people against waste, cruelty, fraud, graft, corruption and every other form of misgovernment and of antisocial practice, public and private.

Exposing civic corruption

THE highest honor that can come to any newspaper is the annual Pulitzer award for public service. Tradition was shattered recently when the Waterbury (Conn.) *Republican* and *American* were honored twice, in successive years, for the same feat.

The story is too involved to detail here, but the Waterbury papers devoted more than 12 years—part of it sporadically and the last few intensively—to breaking up a City Hall ring that robbed the taxpayers of more than \$3,500,000. Eventually 18 politicians and business and professional men went to prison for their participations.

Editor E. Robert Stevenson estimates that he spent \$5,000 merely to clean up padded voting lists so that an independent controller could be elected, in order that the truth might be ascertained. This was a mere incident well toward the end of the arduous campaign. It represented an infinitesimal part of the direct cost to the newspapers. The value of advertising lost under pressure from the political machine can only be guessed.

The papers worked constantly

under threat of ruinous libel judgment if they made a slip. The machine's desire to "get something on" Editor Stevenson or Publisher William J. Pape was evidenced by the more than \$10,000 paid by the city to a private detective agency which, among other things, installed dictaphones in the publisher's private office.

In return for all their trouble, expense and the chances they took, the Waterbury papers got exactly what they sought—the satisfaction of a good job well done, the gratitude of a small city rescued from conscienceless grafters, plus recognition from their fellows in the craft. Nothing more.

What would censors censor?

SUPPOSE the American press did not possess complete freedom, subject only to punishment for abuse of that right. Suppose, to prevent the licentious offenses of which some newspapers sometimes are guilty, machinery had been set up to stop, in advance, the publication of that which censors considered undesirable in the public interest. Who would decide whether such criticism of a city administration could be printed?

The mayor? That Waterbury ring was headed by Mayor Frank Hayes, who was in his fourth term when caught, convicted, sent to state prison for ten to 15 years.

The state government? Toward the end of his political career Hayes doubled in brass as lieutenant governor and president of the State Senate, and diverted city funds to entertain his legislative buddies.

The courts? They were not involved in the Waterbury mess but sometimes they are.

In 1940 Martin T. Manton was sent to a federal penitentiary after an investigation that I made into his judicial conduct, some results of which were printed in the *New York World-Telegram*. At that time Manton was top judge in the highest federal court in the New York area. If the federal courts had possessed power of censorship over the press, Manton would have been the most natural administrator of that power. Do you imagine that he would have consented to have evidence of his corruption published?

Ray Sprigle won a Pulitzer prize for exposing, in the *Pittsburgh Post-Gazette*, that Sen. Hugo L.

Black of Alabama had worn the white robes and slitted hood of the bigoted Ku Klux Klan. Black, at that time, had been nominated by President Roosevelt to the Supreme Court. If the President had possessed censorship rights, direct or through appointees, is it probable that such evidence against his choice for the nation's highest bench could have been printed?

Only with unfettered freedom could Thomas L. Stokes have described in the *Scripps-Howard* newspapers how the late Harry Hopkins, President Roosevelt's permanent house guest and bosom companion, was prostituting unemployment relief in Kentucky to re-elect a senator the President wanted.

Unlimited freedom of publication made it possible for the *St. Louis Post-Dispatch* to disclose that the city machine had padded election rolls until one name out of every ten was fraudulent and an honest poll was impossible. It enabled the *Detroit News* to expose an orgy of corruption among Michigan state legislators.

Newspapers right injustice

BURIED in a dry-as-dust report unseen by most laymen, Managing Editor Lee Casey of the *Denver News* noticed that 28 men with no criminal records had been transferred from the State Hospital for Insane to the penitentiary. Going there, he found mental incompetents, whose diseased minds required the most delicate care, in tiny cells facing murderers' row. By featuring an epileptic honorably discharged from the Navy, Casey forced a legislative survey of all state institutions that disclosed serious evils.

These, and hundreds of other newspaper exposés, demonstrate conclusively that there is no level of government—and no agency outside government—in which the power of censorship could be placed where, sometime and somewhere, the exposure of corruption and incompetence would not be stymied.

Most executives, most legislators, most judges, most business men and most other folks are essentially honest. But some in every category are crooks and more are incapable. The men exposed in the few instances highlighted here, and thousands more brought to light by newspapers in the public interest, were highly respected until the curiosity of some newspaperman—translated into laborious digging followed by libel-

daring publication—proved their faults. In almost every instance first presentation of damning facts brought indignant reproaches from honest citizens who, as censors, could never have believed that such eminent personages could be proven guilty.

Almost ten years of my newspaper career were devoted to investigating, exposing, crusading. Some of my victims were public servants of every rank from top to bottom. Others were business and professional men, companies, corporations and other groups. Some were venally corrupt, others selfish and antisocial, many no worse than incompetent.

People won't believe

OUT of the experience I have discovered two quite general lay reactions which enter into the that's-just-a-newspaper-story attitude and which contribute to the sentiment for limiting freedom of the press.

One reaction is that in going after such grafters or incompetents I was acting under orders from superiors who had personal or partisan axes to grind. It was a favorite pose of the late President Roosevelt to assume that reporters who wrote stories adverse to his Administration were acting under orders against their better judgment.

That assumption is an insult to a reporter. No newspaperman worth having around will write any story in which he does not believe. It doesn't matter to me what may be my boss' motives in suggesting a story. If the facts are there I will write them. If they are not, I won't. That is true of most topnotch reporters.

The other reaction is that exposés and public service campaigns are designed to stimulate circulation, for the benefit of publishers, and that stories detrimental to paying advertisers are avoided like the plague.

In some instances that may be true. Often it is not. My own devotion to campaigning was at a time when the *World-Telegram's* circulation department was assiduously discouraging new business. At the same time, our advertising department was ardently seeking to hold old customers and get new ones. Yet I never encountered so much as momentary hesitation when I offered stories that were anathema to very profitable advertisers, and I was constantly kept on activities that encouraged circulation which had to be

chopped down by sometimes drastic methods.

This tolerance is not peculiar to any single newspaper or group of newspapers. The records are full of evidence. Let me cite just one example, again from the experience of the *Waterbury Republican* and *American*.

Threatening good customers

DURING the housing shortage that accompanied and followed World War I, landlords there (as elsewhere) took advantage of home-seekers' distress. The *Waterbury* papers heard about conditions. Thereupon they gave notice in their columns that if gouging continued they would send reporters who would describe as many specific instances as they could find, with landlords' names, addresses and profiteering rentals.

That took courage, having in mind the large return paid by classified advertising for the small space that it occupies. Editor Stevenson says that Publisher Pape never batted an eyelash.

"Go to it," he said in effect. "More power to you."

Perhaps you remember the fanfare with which the publication *PM* was launched free from advertising, with the uncharitable claim that no newspaper could carry paid advertising and yet present the news objectively. And did you notice recently that *PM* is soliciting paid advertising?

Has *PM* been tempted to harlotry, too? Or could its owner, Marshall Field, be correct when he says that a newspaper's virtue is safer in the hands of advertisers than at the mercy of any single owner's whims?

Even among newspapermen, who should know better, it is com-

mon to find those who long for the "good old days" of Greeley and Bennett, Pulitzer and Scripps.

That was before my time. I have read of their exploits and I have pored over musty, cracking files of their product. Truly there were giants in those days in the publishing business—men of imagination, enterprise, courage.

But there are giants today, too. The general level of modern journalism is at least on a par with the spectacular achievements of past generations. Out of familiarity with both, I am convinced that the newspaper you buy every morning and evening has seven chances out of ten of being more complete, more accurate, more objective, as enterprising and as courageous as was the best in the "good old days."

The freedoms of speech and of the press, of religion and of assembly, are one and inseparable. Together, they are freedom of expression.

It is truly unfortunate that newspapers and their staffs do not live up to the highest potentialities of their medium, and that some newspapers are not as good as others and a few are very bad. But this is no more basis for decrying the fundamental concept of freedom of the press than our divorce record is basis for decrying marriage.

The press helps all

SO long as editors and reporters remain free to satisfy their insatiable curiosity about everything that seeks to be hidden—so long as newspapermen are inspired by pride of achievement to try to outdo one another in completeness, accuracy and readability—so long as every editor is free to present news as he finds it, without regimentation—so long as newspapers in the mass continue to turn the spotlight on every facet of everything that interests any substantial group—

While these things are true, it does not really matter much if individual newspapers now and then prove unworthy. It is not really of prime importance whether the underlying motive is profit, prestige or public service.

Freedom of expression, including freedom of the press as one of its quadrants, still is the cornerstone of workaday democracy. It still is the only vehicle in which we can struggle toward that journalistic star to which the Scripps-Howard newspapers have hitched their sometimes creaky wagon:

"Give light, and the people will find their own way."



Retailers, Get on Your Toes!

(Continued from page 43)

chines. Many rent food lockers. Others operate lunch counters and soda fountains. Less than a third of the business of some of these markets is now in the items they set out to handle.

The trend of population movement to suburban areas, more automobiles and "one-stop-to-buy-all" convenience distinctly favor the future growth of supers and superettes. Shortage of domestic help is another factor in their favor. It is estimated that about 60 per cent of total food sales are through these "one-stop" stores.

Economical to operate

SUPERETTES increased surprisingly during the war and will continue to do so. They are considered economical to operate and particularly well fitted as neighborhood stores. They offer great opportunities for the future. Capital requirements and management problems are not so great as for the larger stores.

Even the superette may handle as many as 3,000 items and the trend is toward more. Any "one-stop" market must give a wide choice of goods.

Self-service is not restricted to supers and superettes. It is on the increase in many types of stores. Labor shortage, wage increases and the need to cut selling expense will stimulate this trend.

The same causes will expand vending machine sales. Soft drinks, cigars, cigarettes, candy, chewing gum, frankfurters and many other items are being dispensed through machines. Insurance policies are being filled out and sold by machines. Telegrams soon will be sold and sent through them. It is estimated that machines are selling a volume of about \$500,000,000 already and before many years will be dispensing \$3,000,000,000 in merchandise.

The number of stores in the United States will quickly come back to, then exceed, their prewar numbers, except the chain stores. The average size of independents in many fields will also increase.

The economy of increased size is quite evident.

The increased volume of manufactured goods to come, new products, new families and increased population, all indicate further increases in the number of stores. Many new products will be seeking retail outlets and many of them will be found in surprising places.

The kinds of business in which the number of stores was decreasing before the war were: general merchandise stores (with foods), cigar stores and stands, furniture stores, jewelry stores; feed, farm, and garden supply stores; and accessory, tire, and battery dealers.

The number of stores, on the other hand, were increasing rapidly in the following fields: filling stations, drinking places, combination stores (groceries and meats), eating places, fuel and ice dealers, liquor dealers (package stores), women's ready-to-wear garments and florists.

As materials and labor become available many new stores will be built, others modernized. New stores in the suburban areas of big cities will be especially numerous. Better lighting, better floors, displays, shelving, and more machines will be the objectives sought in both new construction and modernization.

Labor costs have been an increasing problem for retailers and will probably increase considerably before they decrease. Labor is already short and threatens to be

for some time. Wages in retailing will rise still further with labor unions planning to organize more employees. If successful, this will mean higher wages and shorter hours, but it will also stimulate better store arrangement, store equipment and increased self-service.

In fact, this labor organizing drive will favor an increase in family operated and partnership stores. Hired labor would be a smaller factor. Hours would be unlimited and holidays would be at the discretion of the family or partners.

War conditions have given retailers, from grocery to department stores, a better appreciation of the advantages of handling branded and advertised merchandise. In the competitive period ahead these advantages will be even more appreciated, if reasonable margins are maintained. Rapid turnover will be essential.

Markets have changed

TO SURVIVE and prosper every retailer must understand the nature of these rapid changes and basic trends in markets and methods, then adjust his own operations to them. First of all, he must know how his market—his trading area—changed during the war and how it is likely to change in the future. In many communities these changes have been and will be greater than is realized.

Know your market and stock the goods best suited to it. There's more to this than merely knowing your customers. What about those who should be but aren't customers? Why aren't they?

What changes in preferences, tastes, desires, purchasing power and living habits have taken place in your neighborhood? Seek out the facts. Remember always that you are the purchasing agent for these people. You must buy what they want most, that means rapid turnover which is the lifeblood of profitable retailing.

What new housing is planned in your neighborhood? How many new families are coming into your market? What income classes are they in? How many families have left?

Have roads and streets in your neighborhood been changed or re-



routed? Will they be soon? What will this do to your trade?

What changes in parking facilities and restrictions have been made? How are they affecting you?

Are people moving out of your city into the suburbs? Is the population of your neighborhood increasing or decreasing?

How many babies arrived in your market during the baby boom of 1941-47? Yesterday they increased your sales of baby foods. Tomorrow they will increase the sales of children's clothes, school supplies and sleds. Remember though that this seven-year baby boom is just that. It will end this year and the birth rate will begin to settle back to much lower figures. Your baby market will decrease, but the proportion of older people will be constantly increasing.

What is your logical market? For a small neighborhood store it may be only a few blocks, for a supermarket a radius of ten miles and for a large department store a radius of 100 miles. You cannot determine how to get the most out of your market until you first determine your market area.

Consumers hard to please

THE days of presents, bribes and tips to retailers and their clerks for the privilege of buying are over. The retailer will soon be Romeo again—and Juliet, the consumer, feels you have scorned her much of late. Her attitude will run the gamut from coyness to vindictive wrath. Getting back into her good graces and confidence will be no easy matter. She may lend her ear more readily to that old rival of yours, the Consumer Movement. You must convince her you have real values to offer.

Begin balancing your inventories at once for a buyer's market. Clean out unwanted and undesirable goods, substitutes, "off-brands" and slow movers. Drastic moves to do this now will be less painful than doing it later. Syndicates and department stores are already pushing slow goods out of inventory.

Signs of intensive retailer competition are already evident in the large cities. Price promotions and special sales are coming back, with mark-ups being cut. These price promotions will increase as goods become more readily available and consumer resistance to prices grows. The consumer is insisting on better quality and better values for her dollars.

The transition from a seller's to a buyer's market will come item



HE KEEPS A LOAD OF FREIGHT FROM STICKING ITS NECK OUT!

Here is an Erie Clearance Engineer at work.

He is making certain that a huge, oversize shipment will travel safely through tunnels, under bridges, around curves.

On-the-spot measurements like this are frequently necessary. Sometimes, specially designed blocking and bracing is needed. And Erie Clearance Engineers are even consulted while huge machinery is still

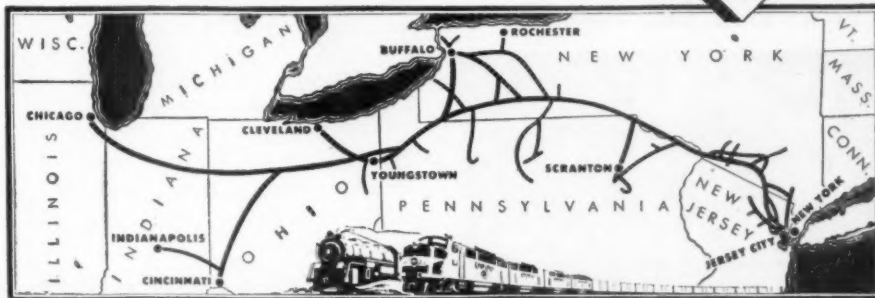
in design stage, to make recommendations on the assembly of the shipment to insure effective rail handling.

Because the Erie has the highest and widest clearances of any railroad between New York and Chicago, the Erie has become known as the "heavy-duty" road.

It's specialized skill and services like this, handling shipments, large or small, that make more and more shippers say "Route it Erie".

Erie Railroad

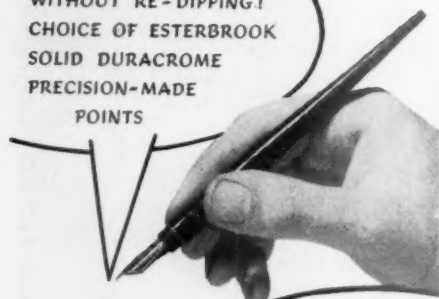
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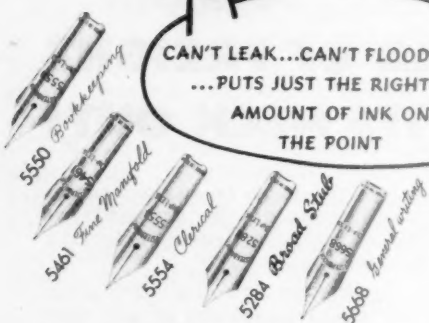
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FOR MONTHS! SEE
WHEN IT'S TIME
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...PUTS JUST THE RIGHT
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Only Dip-Less* offers you the choice of precisely the right point for the way you write... the right point for any and every office writing job.

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by item, not industry by industry or by large product classes.

Keep your cash position so strong that it will stand a period of sales reduction and price readjustment. Don't speculate on long inventories. Even if you think you've kept expenses down during the war, you should look for ways to reduce them still further.

Conveniences cost more

CONVENIENCE is still a big factor in determining what, where and how people buy—but beware of too many costly services. People get such services as delivery, credit and the returned goods privilege because they demand them. But they cost money. People may be more reasonable in such demands than they were before the war, at least food retailers are reporting less insistence than they expected on increasing such services.

Why not tell the consumer, "All right, I'll give you all these services, but they will cost you five per cent more?" There will always be full-service stores for those who are willing to pay, but the majority prefer *more goods* for their money.

Better selection, training and supervision of employees is a widespread need.

Because of labor shortages, high wages and the need of reducing selling costs, consider the possibility of introducing self-service or extending its use in new departments. It may mean modernization, changed layout and a general face-lifting for your store. This, too, is desirable in many stores.

Insist on intelligent help from your wholesaler or other suppliers and use their help when given. Their success depends largely upon yours. And, last but not least, don't let the buyer's market sneak up and catch you unprepared.



"That's what we call a girdle
manufacturers' delight"



Attention!

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MISSOURI
the Heart of America

Flying Dollars—Key to a New World

(Continued from page 52)

with two weeks' paid vacation "can leave his job in the United States Friday evening, pick up his family, and be in Europe Saturday. He can then spend two weeks touring Europe, can leave for home Saturday night two weeks later, and be back on his job Monday morning." That is what Juan Trippe, president of Pan American World Airways, predicts.

When fares hit a level between three and four cents a mile and any place on earth is within two days' travel, you and I are likely to start going places. At least that is what the Curtis Publishing Company reports, based on their 1945 nation-wide aviation survey. They asked a representative cross section of Americans:

"After a war, when it may be possible to take an airline trip abroad, for example, a trip to England in about 18 hours flying time each way, for about \$200 for the round trip, do you think you will take trips abroad on business, or for pleasure?"

Two out of every three interviewed said yes! Nor does the survey include, either, the 12,000,000 men and women, most of them under 30, who were still in uniform when the study was made. If only half of those who responded favorably were to average a trip abroad every five or six years, they would make three to four million passenger trips annually.

Fast, frequent, comfortable services, with fares at mass travel levels, will ultimately lead to billions of United States travel dollars rolling down to Rio, financing a week-end in London or Paris, or supporting a two weeks' circle tour of the world.

Dollars will travel abroad

BEFORE the war, the average American traveling abroad spent \$480 in foreign countries, exclusive of his steamship passage, tips to the stateroom steward, and other expenses on board vessels. At this prewar spending rate, 2,000,000 postwar air passengers a year would leave a billion-dollar trail abroad annually, not counting their airline fare or the substantial foreign expenditures of American air carriers. Even at much lower rates, it still adds up to big money.

As Under Secretary of State William L. Clayton has recently pointed out, a billion dollars a year

for about 20 years would "completely amortize all the foreign credits made available by our Government since the end of the war, including our contributions to the International Bank and the International Monetary Fund."

As the world's greatest creditor nation, we have a tremendous stake in making it possible for American residents to travel abroad.

For the U. S. currency thus transferred to foreign accounts helps to keep debtor countries supplied with dollars so they can buy our surplus goods and service their financial obligations.

The dollar shortage

PROBABLY no nation for hundreds of years has had such a foreign trade opportunity as we now face. American products, thanks to the United States lend-lease program, have been advertised all over the world. Hundreds of millions of people in other countries have learned to know and desire our merchandise. Machine tools, trucks, foodstuffs, and thousands of articles of American origin have been introduced to potential new markets.

But there's a catch:

Unless we are willing to take pesos, or shillings, or francs in exchange for our goods, we can't sell more than the amount of dollar currency our foreign customers can scrape together. The ceiling on our postwar foreign market is fixed by the volume of dollar credit we can make available to our potential customers.

The biggest source of dollars for our customers comes from our purchase of *their* goods. In the past, the larger part of the goods we have imported has consisted of foodstuffs or of raw materials used in the manufacture of articles, most of which we buy in this country. The more balsa wood, bananas, coffee, coconuts, hemp, and a thousand similar articles, we import the higher the level of world trade and the better for everyone.

As long as our imports offset exports, no dollar transfer problem arises. The rub comes when we try to sell more goods abroad than we buy. This net export surplus has not been very big compared to our domestic food bill, for example, or to other major items of internal consumption. For the 20 years between the two World Wars, it aver-

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J. Strom Thurmond
Governor of South Carolina.

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aged around \$900,000,000 a year. Yet, for many individual enterprises the existence or absence of healthy foreign trade spells the difference between life and death. In the aggregate, it represents jobs for several million Americans.

As long as we continue to export more than we buy, there is no escape from this dollar transfer problem—unless of course we want to give goods away.

The seriousness of this dollar problem can hardly be overstated. It has plagued the world economy ever since America's traditional status as a debtor country changed to that of a creditor during the first World War. The dollar shortage abroad explains in large measure why the war debts were defaulted; and accounts for many of the difficulties of the depression 1930's.

Meet you in Bagdad

THERE are several ways we can increase the supply of dollars available to debtor countries, but most of them have potential drawbacks. For example, we can buy more foreign goods, lend more money abroad, or invest in foreign enterprises. But foreign manufactured products may compete with our own in American markets; loans may go sour; and promising investments may prove unprofitable. Also, increased loans and investments abroad mean more dollars will be needed to meet the added amortization, interest and dividend payments.

Of all the methods of keeping customers dollar solvent, foreign travel is one of the most satisfactory. American expenditures abroad for sightseeing, food, entertainment, and other "non-exportables" pour a stream of dollars into our customers' accounts without intensifying competition at home.

Dining in Cairo or Copenhagen, watching a sunset in Switzerland, or a show in Paris, bathing in the Black Sea at Istanbul, or lying on the warm sand at Copacabana, Rio—travel never fails to pay interest and dividends. It is a form of invisible "import" to which tariff walls are no obstacle.

Money spent abroad in effect never leaves home. To buy a meal in Cuzco or Timbuktu, you need pesos or francs, not dollars. The dollars we exchange for foreign currency are spent in the United States when foreigners buy our services or goods with dollars and pay interest or dividends on advances we have made them.

A good way to make sure that debtor countries have dollars on hand to pay the interest on our loans when it falls due is for you and me, and millions like us, to fly down to Rio, see the Acropolis, visit Victoria Falls, the Taj Mahal, Peiping, Bagdad, and all the other interesting places of the world. Can you think of any pleasanter way to collect interest on a loan?

Stimulus to trade

THE whole world will share in the economic stimulus resulting from this increased flow of American travel dollars into foreign customers' accounts. Every dollar transferred by travel raises the level of national incomes in other countries by at least that much. In addition, it exerts a "leverage" effect, stimulating all manner of economic activities throughout the world.

From this new channel of commerce undreamed-of streams of development will flow. Places formerly far off the beaten track will become the new aerial crossroads of the world. Noumea in the Pacific, Shannon on the Emerald Isle, Newfoundland, Belem at the mouth of the Amazon, and scores of other places will become familiar names to millions of travelers.

Better world understanding

MASS air travel will foster trade, create jobs and contribute to domestic prosperity in every country on the world's airways. Perhaps even more important, however, are the new vistas and world understanding it will bring.

If people are to be prepared for world citizenship, they must visit the laboratory of the world in far greater numbers than ever before and learn firsthand about other people's problems. "Since wars begin in the minds of men, it is in the minds of men that the defenses of peace must be constructed."

All the machinery in the world for military, political and economic cooperation won't bring real peace until the underlying suspicions and tensions existing in the world are replaced by more healthy relationships.

To promote world understanding that must precede world organization, to help create the climate of peace, there is nothing more promising than mass air travel. International airways are indeed the key to a new world—a world in which there need be no "foreigners."

The White House Racing Form

(Continued from page 40)

methods of running for the office of Chief Executive are expected to be employed. Already pawing the earth for the quadrennial Presidential Sweepstakes are seven Republican candidates. Stables are bulging with dark horses, all hopeful that scratches in the early field may give them a chance to run.

The seven candidates from whom political prognosticators are now picking the next President are Senators Robert A. Taft and John W. Bricker of Ohio, Gov. Thomas E. Dewey of New York, Sen. Arthur H. Vandenberg of Michigan, former Gov. Harold Stassen of Minnesota, Gov. Earl Warren of California and Gen. Douglas MacArthur of Wisconsin and the Pacific.

Usually the early bird in politics attracts little more than opposition. All the other candidates concentrate on blasting his aspirations and then fight it out among themselves. However, with seven candidates out in front almost two years ahead of time, blasting, critical fire must necessarily be scattered so that each aspirant feels fairly secure.

Today with the Republican tide running toward flood, political attention is focussed on the Republican race. Particularly since it is assumed that the Democrats virtually have to renominate President Truman even if in the face of certain defeat, much as the Republicans had to nominate Herbert Hoover in 1932.

And today history is repeating itself in the battle for the Republican nomination which seems to be between Taft and Dewey as it was in 1940. Then they deadlocked, permitting the nomination to be carried off by Wendell Willkie. The five other candidates and the dark horses are hopeful the two will kill each other off again.

Maybe two Tafts

TAFT has carefully plotted his race to occupy the former home of his father. He is aware there were two Adamases, two Harrisons and two Roosevelts and is desirous that there shall be two Tafts in the table of Presidents. The senior senator from Ohio is determined to rise or fall largely on domestic issues. He is tireless, informed and able.

While his honesty and integrity have earned him respect in and

out of the Senate, Taft has little personal magnetism. He is aware that he cannot compete with glamour of the F.D.R. type any more than his father was able to compete with the T.R. type. Taft plans to work hard on national affairs in the hope that his conduct will win him the liking and respect of the voters. He expects to play an important role in the drafting of labor control legislation and in an economy program, which might carry reduction in taxes.

Taft is considered conservative, but not at the extreme right of his party. As a matter of fact he is the sponsor of three measures, which would win him plaudits from the leftists were it not for the fact that he is a candidate. These are the Wagner-Ellender-Taft housing bill, the Taft bill to provide federal aid for education and the bill which would give federal aid to states for medical care of the poor. Although labeled a reactionary, Taft is courting the left.

This flirting with the left may prove to be Taft's undoing. If the swing against the New Deal continues, it is possible that Taft will be handicapped by the liberal legislation which he calculated would help him. In the same way his part in drafting labor controls may prove to be a double-edged sword. If controls are too stringent, he might be discarded in the Republican convention as undesirable to labor. In a sense, Taft is running on a tight rope.

Dewey has new experience

DEWEY is more experienced than he was in 1940 and when he ran in 1944. No one can deny he is a master political strategist where he was scarcely more than a wide-eyed novice seven years ago. He is a good administrator, an excellent showman and the possessor of the finest radio voice since Roosevelt began crowding the airways with mellifluous Harvard accents.

Many observers believe Dewey fired the opening gun of his try to break the Republican tradition against nominating a defeated candidate in his speech following his thunderous reelection as governor of New York.

Dewey will stand on his record as governor of New York and on his thwacking reelection majority. He is confident that party regularity,

a good public record and ability to govern will turn the trick. He is emphasizing efficiency, and he is emphasizing dignity. When he ran three years ago, Dewey was the only Republican white hope who dared to slug it out with "The Champ."

Dewey may stub his toe in the race as his road is not an easy one. In the first place he is an easterner, although born in Michigan, and there is considerable sentiment developing for a candidate from the midwest. Then, too, Dewey is no hero of the party faithful, who will cast the convention votes. They regard him as upstage and nurse remembrance of casual treatment in the 1940 campaign. Finally, Dewey has been courting the internationalists and the so-called liberals.

Another from Ohio

THE essence of traditional Republicanism is Bricker, a fighting campaigner who pulls no punches. At the 1944 convention he was the unanimous choice for Vice Presidential candidate. He is staking his claim for the White House on party regularity and popularity among the Republican rank and file. If events dictate a Republican from the right and an affable personality, Bricker expects to ride in lengths ahead. If Taft and Dewey crack their skulls in a head-on clash, he is likely to be the choice of party conservatives to heal the wounds of internecine strife and to return the party to the White House.

For years Bricker and Taft have exhausted an Alphonse and Gaston act on the Republican nomination. In 1940 Bricker bowed to Taft. In 1944 Taft bowed to Bricker who came up with the second place nomination. Many believe Bricker will bow again in 1948. This year Bricker came to the Senate, against the advice of many friends.

Bricker may find it hard to compete with Taft at his own game. However, if Taft comes a cropper he may well blossom out of his senate seat down Pennsylvania Avenue into the Executive Mansion. Seven of the last 16 Presidents were Ohio boys and Bricker is willing to add himself to the list.

Internationalist Vandenberg

A THIRD senator with Presidential growing pains is Arthur H. Vandenberg. He is 62 years old, five years older than Taft, 18 years up on Dewey and nine years the senior of Bricker. He is willing to leave domestic issues to Taft, conservatism to Bricker and efficiency

to Dewey, proposing to stump on international issues.

Vandenberg is personable and a cagey politician. In 1936, 1940 and 1944 he toyed with Presidential aspirations just enough to keep himself before the public but not enough to singe himself. He had no wish to tangle with Roosevelt. In 1948 he can be expected to start in the race only if there is sufficient interest in international affairs to support a demand for a strong hand at the helm of the ship of state as it plows through international waters.

Vandenberg is heir to the late William Borah of Idaho as Republican dean of foreign affairs and takes his role most seriously. Handily he won renomination to his senate seat without lifting his voice in his own behalf. He wrapped himself in the mantle of diplomacy at the Paris conference and the United Nations general assembly in confident expectation that this show of industry would do the trick.

Recently he announced that he was giving up his diplomatic roles and would devote himself to the Senate. He is president *pro tempore* and chairman of the foreign relations committee. If the nation should continue internationally minded, as it was in Roosevelt's fourth-term campaign, he expects to make the race on his efforts to take the conduct of international affairs out of partisan politics.

Vandenberg is aware that he may be riding to a fall. If the country wearies of the bickering among victors or if the country sickens over the misery and despair which have followed the war, Vandenberg might well come in for a share of public disapproval over the state of the world, in which case he would be left at the post.

If he should get the nomination Vandenberg has no intention of holding himself aloof from the presidential race as he did from the senatorial contest in his state. He will turn on all his charm and unbend from the dignity of his deanship.

Stassen will be running

THERE is nothing coy in the technique of the youngest of the current batch of Republican aspirants, 39 year old Harold Stassen. Stassen began running in 1940 and hasn't stopped for breath since that time although he has been given some powerful adverse jolts. In 1940 his campaign collapsed when it failed to develop any enthusiasm. In 1946 he entered the

Nebraska primary to stump against Sen. Hugh Butler and to measure Presidential sentiment for himself. He was not even fazed by the bruising wounds of defeat.

Stassen is, unlike Bricker, the essence of party irregularity. He is a maverick, having upset conservative Republicans in Minnesota and is hopeful of revamping the party nationally along the Willkie pattern. Old Guard Republicans like to think of this heir of Willkie as mounting an elephant and riding off in all directions, which is almost literally true because he is willing to campaign anywhere at any time. With all this activity, he is considered as having only the remotest chance in 1948.

Of his slim outlook Stassen is thoroughly aware, but he can afford to lift his eyes to 1952, 1956, 1960, 1964 and even beyond, which prospect is dim indeed for Vandenberg and Taft and Bricker, although within eyesight for Dewey.

Popular Californian

A DISTINCT Presidential possibility in the event of a Taft-Dewey or other deadlock is personable and popular Governor Warren. Moderation is the theme of his bid. He is aware that the nomination could come to him only by compromise, so that it behooves him to keep in the good graces of all factions.

Warren was a vice presidential possibility in Chicago in 1944. The reception he received as keynoter of that convention is believed to have sparked the 1948 ambitions he is now carefully fanning. At any length he sidestepped the second place nomination and is now studying floor plans of the White House. He has demonstrated a capacity for administration and his feat of capturing both the Republican and Democratic nominations for governor in California constitutes striking evidence of personal popularity.

MacArthur may run

LAST, but not least, there is the man on horseback without whom no presidential campaign is complete. It is the fashion for military men to be hard to get, a technique which is employed to some extent by all aspirants.

No less a figure than Gen. George Washington established this technique when the Presidential course was first run under old rules.

What was good enough for the commander in chief in the Revolutionary War appears to be good enough for the commander in

chief in Japan, MacArthur's friends agree. In 1944 MacArthur nipped a Presidential boom by stating he had no ambition beyond whipping the Japs. Now he is telling friends he has no wish except to clean up the job of bringing democracy to Japan and then returning home in a year or two.

A nightmare common to all candidates is a MacArthur homecoming in 1948. With or without a horse, the General might fire a burst of popular enthusiasm which sent such military heroes as George Washington, Andrew Jackson, Zachary Taylor, William Henry Harrison and Ulysses S. Grant into the Executive Mansion.

The hard-to-get technique is no longer carried so far that the candidate does not take the stump in his own behalf. This works for lesser offices, but, while men have thought of renouncing campaigning, they ultimately take the stump in one form or another. If they sit on a front porch, they are first certain that there is a microphone handy.

MacArthur is expected to make no bid for the nomination, but to wait until it is thrust upon him, an event which is not unlikely particularly if President Truman chooses not to run and the Democratic nomination were to fall upon Gen. Dwight Eisenhower, who is believed to be cherishing political ambitions in spite of his denials.

Greatest stumbling block in the MacArthur path is age. The General is 67 years old, five years older than any man in the field. However, he is still vigorous and it is likely that he will be a pallbearer at the obsequies for the political ambitions of five if not six of his current rivals.

THIS then is how seven men of varying abilities are running for President. This is how they hope to win the nods of the party king makers and how they expect to appeal to the voters. Other aspirants, aware that any child can be President, will doubtless profit by their example. They might, too, heed the admonition of the late Eugene V. Debs, perennial Socialist candidate for President, who observed at the turn of the century, not without bitterness, that while it was true that any American might hope to become President, there were times when many would be willing to trade that right for a ham sandwich. Today there are times certainly when Mr. Truman would trade the right for a night's untroubled sleep.

A Journey Through Socialism

(Continued from page 49)

pockets of unemployment as "depressed areas," but the Laborites tag them "development areas."

Again: Conservatives say prosaically that a community has so many unemployed. But Socialists say euphemistically that it has a "reserve" of so many workers.

The Communists with their hackneyed slogans don't begin to compare with the British Socialists with their flair for phrase. For Socialists can string together tinsel words that have all the glitter of Christmas tree ornaments.

They speak, for example, of "freedom within socialism," of "marrying production and consumption," of "making private enterprise more enterprising," and of "the people working for the people."

At the same time they can be as scathing as artful in talking about the opposition, whether it comes from the left or right. An unfavorable press becomes "the millionaire press." They speak of "en-trusted conservatism" and of "an industrial system that has nothing to commend it but its age." According to Labor lingo, the opposition Conservative party is "neo-Nazi" and its program "a mixture of stale political dishwater 'to be taken as before.'"

There are times when Laborite speakers approach the superb eloquence of a Franklin D. Roosevelt. These words by Aneurin Bevan, Britain's housing expeditor, have the same quality as the climax of an F.D.R. campaign speech:

"A society in which the people's wants do not exceed their possessions is not a socialistic society. This sort of satisfaction is not socialism, it is senility."

"If we ever reach the stage where our wealth exceeds our dreams and our desires," Bevan added with a flourish, "it will be time for man to pack up and hand over to the ant."

GOING TO England to study nationalization, I had mapped appointments with industrialists in coal mining, iron and steel, transport and other industries.

On the ship going over I was discussing my plans with a young British steel man who was returning from a business trip to the States.

"Don't waste your time talking to industrialists," he advised ear-

nestly. "It's the men in the shops who run industry in England today, because they run the Government. They are the ones you should see."

We have heard complaints, of course, about some of the penalties imposed for infractions of our own OPA price ceilings. But I was really impressed with the severity of sentences meted out for infractions of price-fixing regulations in England.

For example, a London stall-keeper was sentenced to six months for selling two cucumbers over ceiling price. Oddly enough, not a single London paper thought this stiff sentence worthy of editorial mention.

In still another case, a beauty parlor operator was fined \$26 for serving a sandwich and coffee to a customer "otherwise than in accordance with a license issued for a catering establishment." It seems that a customer asked for a snack to eat while waiting for her hair to dry and an employee of the establishment obliged. The "customer" was an enforcement officer.

This did bring one paper to its feet.

"What fooling nonsense this is!" said *News of the World*. "Haven't enforcement officers something better to do? What stupid bureaucratic poppycock! What has the country come to? Stop this stupidity now. Don't waste our time."

THERE ARE appalling blindspots in the social conscience of England's socialistic regime. I found this regime calloused, at times, to social wrongs that would shock the conscience of the most reactionary Americans.

Consider child labor in the coal mines.

While America and other nations are increasing the age for entry into such an industry, the British Government is actively recruiting 14- and 15-year-olds for mining.

This blatant government advertisement runs in British papers:

"Boys 14 to 17½ can make a career in nationalized mining. Even at 14, you can earn one pound, 18 shillings and sixpence a week underground. . . ."

Shocked that the Government was not banning child labor now that it is taking over the mines, I got no responsive reaction. I could muster little official interest in reports of the "deplorably high" acci-

dent rate among coal miners under 18 years old. I was assured that this would be remedied by giving the juveniles more training above ground before sending them into the pits.

ENGLAND'S new Government is plagued with all sorts of quaint social problems that have long since been resolved in our more "backward" America. Take women's rights, for example.

The Government has just lifted the marriage ban to permit women in the civil service to marry without losing their jobs. This was hailed as "a decision of considerable social and economic importance"—even though a rather belated one from the American point of view.

The fight for women's rights now centers in the staid Foreign Office. Not only do women employees there want to have the marriage ban removed (they were specifically exempted when other female civil servants were permitted to marry), but they would also like to become foreign service officers.

It seems that the Labor Government has endorsed the principle of appointing women as diplomats, but has not gotten around to making any appointments as yet. But British women are pressing the fight.

I had heard that socialism was paternalistic. But I never expected to find it maternalistic as well.

Government is being importuned to assist mothers in obtaining domestic help, to increase the supply of prams (baby buggies), to provide "education for family life" and make childbirth easier! In response to such appeals, the Government has set up an Institute of Houseworkers to train help and thus ease women's domestic problems.

Women's organizations are pressing for other forms of assistance. The National Council of Women, the potent organization that forced through the Houseworkers Institute, is also asking the Ministry of Education "to find an effective system of education for family life."

THE PRAM problem has become a hot political issue. It started last summer when government statisticians discovered that more children were being born than they had anticipated.

(The Government has set up a Central Statistical Office that supplies elaborate figures on nearly every phase of British life. But the boom in the birth rate caught the statisticians by surprise, because

What does IVAN think of YOU?

- ★ If you are an average American, you are "totally ignorant" . . .
- ★ If you are a capitalist, you "live in darkness" . . .
- ★ If you are one of the "toiling masses", you are enlightened and soon will be converted to the high ideals of the Communist Party . . .

This is a sample of what the average literate Russian thinks of you. In the March issue of *Nation's Business*, Junius B. Wood will tell how Ivan got that way; why he can believe only as he does.

Watch for "What Russia Thinks of Us," in *Nation's Business* for March.

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there were no official figures on pregnancy.)

The booming birth rate meant that there would be only half enough prams to go around. This called for official action on the highest plane.

Two Cabinet members, Herbert Morrison, lord president of the Council, and Hugh Dalton, chancellor of the Exchequer, made personal appearances before the Commons to give figures on increasing pram production.

It's difficult to imagine such a performance in America. It's as if Secretary of Commerce Harriman and Secretary of Treasury Snyder took time out from their official duties to rush to the radio to reassure mothers on the baby buggy, or safety pin or diaper shortage.

An American in London made this observation on the affair pram: "They say the hand that rocks the cradle is the hand that rules the world. But over here, it's been changed to:

"The hand that wheels the pram is the hand that makes the Government scam."

WITH ALL the changes that socialism has brought, Britishers still

revere the sainted past. Side by side with socialism dances medieval ceremony in stately minuet.

I was impressed with this one day when I dropped into the flame-scarred Guildhall to witness election of a new lord mayor of London.

The election itself had been determined beforehand, and was no more than a perfunctory showing of hands. But the ceremony was carried out with faithful adherence to every time-honored detail.

There re-enacted was a 16th Century ritual, complete with the pageantry of scarlet and gold cloaks and cocked hats—complete with nosegays presented to each socialist official by the hallkeeper—complete with solemn procession of the old and new lord mayors and their retinues of swordbearer, sheriff's chaplain, common sergeant, common cryer, chamberlain, remembrancer and all the rest.

And I marveled that none of the Britishers around me, good socialists that they were, commented on the incongruity of it all. For they were yoking together the atom and the oxen. Yet, it was hardly worthy of note!

New Movie Aids the Handicapped

A NEW 16 mm. motion picture in sound and color, entitled "Come-back," has been produced by the Federal Security Agency's Office of Vocational Rehabilitation to encourage employers to hire handicapped persons. The picture demonstrates that the handicapped man or woman, properly prepared and placed on the right job, is no longer handicapped.

The film is available to chambers of commerce and other employer groups and may be obtained by writing to the State Division of Vocational Rehabilitation or the State Commission for the Blind at any state capital.

Highlights of the picture are the appearances of Jane Froman, stage and radio singer; Tami Mauriello, heavyweight pugilist; Al Capp, creator of *Li'l Abner*, *Lena the Hyena* and other comic strip characters, and Bill Stern, sportscaster, each of whom has overcome a severe physical handicap.

The full run of services provided for civilians through the little known state-federal program is shown in the presentation. The camera follows a man who has lost both legs in an accident

through surgery, physical therapy, counsel and guidance, training for a new job within his newly limited physical range, and finally to successful performance on the job.

Similar processes are shown for the blind, the tuberculous, the partially paralyzed and the person whose physical disability is complicated by emotional maladjustment. Handicapped workers are shown on jobs in the plants of the Ford Motor Co., Caterpillar Tractor, Western Electric and Bulova Watch companies. These firms—among the largest employers of the handicapped—cooperated in the making of the film.

The picture is being used as a means of informing the public of the state-federal partnership and attaining a goal of 150,000 disabled men and women restored to self-sustaining jobs within the next year. Such rehabilitation, on an average, costs \$300.

It also was explained that if the more than 1,000,000 persons now in need of rehabilitation could be restored to work they would add \$2,000,000,000 a year to the nation's purchasing power, while cutting the tax bill.

A TENSE MOMENT in the September, 1946, title bout between middleweight champion, Tony Zale (left), and top-ranking challenger, Rocky Graziano.

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The Farm Pays Off in Living

(Continued from page 58)

David E. Breckbill, several miles farther on the same road, was in his cow barn when I reached that farm later in the evening. So were his wife, a daughter and a 13 year old son.

The Breckbill place is not large. But it has a big, old house, big barn and outbuildings, freshly painted gates and well-kept surroundings—living proof that a little farm will pay.

This is a dairy farm—25 acres and 25 Golden Guernseys, including a bull and several heifers and calves. Again no horses. Its vegetable crop is limited to the family needs, some chickens for home and market, and strawberries as the children's business. When the present owner took over, 28 years ago, it could feed only five cows. Feeding the soil restored its strength.

Six children were raised in the same time. One son now has his own farm, another rents a farm and a third works on a farm—first rung on the worker-tenant-owner ladder. The older daughter is in a Lancaster real estate office and the youngest two are home.

Feed proportioned to milk

MILKING is by schedule. Each cow has a name. All are on a printed chart on the wall with blanks for a month, two milkings a day. Each pail of milk is weighed and the number of pounds entered in a blank under bossy's name. Also the ground feed is weighed according to the milk a cow produces.

Destiny of Sunnyside gave 47 pounds of milk that day, got 12 pounds of feed in addition to hay, equal for all. Others in their dry seasons dieted on six pounds.

"I didn't think much of weighing feed when a man from state college told me about it," Mr. Breckbill explained. "But I've decided a cow and its milk are like an automobile. If you give an auto too much gas, it floods and stalls; but when it's hitting on high it needs a lot more."

The milk is sold on contract and the company picks it up. None is made into butter or cheese on the farm.

The family-size farms of Lancaster County are both pleasant and profitable. Possibly their chief distinction from thousands of similar farms over the country is the diligence of owners in feeding the soil, which has been worked for

two centuries, and keeping it productive.

Anyone can qualify for a Census Bureau rating as a farmer by getting three acres of land and planting a handful of seeds. The first thing this farmer will learn is that he is far from being one in the practical meaning of the word. By experience, by taking advice from numerous diligent officials who specialize in giving it and, above all, by watching what his neighbors do, he may become one in time.

Seasoned sons of the soil are chary in bestowing the accolade "farmer" but I prefer a liberal classification of three grades, each qualifying in varying degree. First are the great majority for whom farming is a way of life. Second, the investors for whom it is a business, hiring managers and employes and often not living on their own broad acres. Third, those who combine it with another business or employment for recreation, comfortable living or an additional source of income.

That liberal definition lets in a lot of people as farmers. Few persons lack the ambition to make something grow—a flower, a pet, an investment, a business. Nature works for those who invest with her and pays better and oftener than stocks or bonds. Farming may be a full-time or part-time occupation. An office worker may pay less rent for a farm home than he would for a city apartment. Any additional benefit his family gets out of it is velvet. Today, in planning for the future, farming should have a place.



Oh! Oh! He's got the magician's wand again

Revolutions Begin at the Top

(Continued from page 38)

lutions have originated, not in the material but in the metaphysical order, and perhaps the greatest fallacy of the Marxists is their insistence that the opposite is true.

Thus, in a sense, all the great revolutions may be said to have been completed before they had fairly begun. Concretely the French Revolution accomplished nothing of permanence that was not already a well developed tendency under the monarchy itself. This being so, it is all the stranger that the nature and direction of the revolution often take its own early protagonists by surprise. Few no doubt were more astonished by the course of the French Revolution than was Lafayette—one of its early leaders—or than Kerensky by the course of the Russian Revolution.

Kinds of revolutions

IT IS necessary here to distinguish between a social revolution and a mere palace revolution on the oriental model, or politico-military *coups* in the familiar Latin American manner, which change only the occupants of the seats of power, leaving social institutions intact and making no disturbance in the psychology and customs of the people.

A social revolution is one which radically alters the lives, habits and moral values of every person within the orbit of the revolution and, in some degree indeed, of all persons in the world. All of us realize, though perhaps still vaguely, that our thinking has been deeply modified by the Russian Revolution of 1917. We can perceive how much the ideas of the English Revolution influenced the American revolutionaries of 1776, and how both inspired the earlier theorists of the French Revolution.

All social institutions and all political systems have their genesis in ideas. They rest, that is to say, on certain concepts or assumptions which, in the last analysis, are probably incapable of rational proof, and which, on very close scrutiny, may even seem absurd.

There is, for example, neither rational nor historical sanction for believing that the possession of great wealth or of an illustrious name is in itself a guarantee that the political judgments of one man will be more intelligent or less

self-interested than those of another. There is just as little evidence for the belief that popular majorities possess, by their nature, an infallible wisdom. And there is of course nothing in reason to support a belief that the eldest son of one man has, by virtue of that fact, the right to absolute power over the other sons of his father and over the sons of all other fathers within his realm. But at various times and in various places whole peoples have shared such notions.

Nor, it must be said, are the beliefs which have made possible the aristocratic, democratic and monarchical governments of history intrinsically more superstitious than the belief of the French Revolutionary theorists that perfect societies can be created by the application of abstract mathematical formulas, or the belief of our own Marxist revolutionaries that, once the economic lives of all persons everywhere have been made dependent upon the state, the state itself will "wither and die."

Custom is a governor

IN relatively stable times, and in the absence of severe social tensions or of general and severe economic distress, a people tends to accept the existing form of government and the necessity of obedience and loyalty to it, much as it accepts the climate or the progression of the seasons. Custom, as Burke observed, reconciles us to everything. By virtue of custom and of the general assent of the governed to the principle from which custom has evolved, the state may almost be said to govern itself. The rulers have little need of repressive laws or brutal penalties or of the rest of the familiar apparatus of tyranny. Nor in a government supported by tradition and assent is any great intelligence demanded of the sovereign.

This may explain why, at the threshold of every great revolution, the reigning sovereign appears to have been a weak and stupid man. Such a description no doubt could be applied with varying accuracy to Charles I, George III and Nicholas II; and Louis XVI, while scarcely stupid, was certainly sluggish, bored and inept. Yet it probably could be shown that none of these unhappy monarchs, who appear in the revolutionary myths as such objects of contempt,

was any less well endowed for his job than many a king who lost no empires, and died in his bed, genuinely mourned by his subjects.

The earliest stage of revolution, then, consists of a challenge to custom and to the basic assumptions from which existing institutions derive their authority. Of course, there are in every civilized society men who reject its assumptions. Such persons have been more numerous in western societies than in the static societies of Asia, but why these rebels should be more heeded in one age than in another remains somewhat obscure. There seem to be not one but many reasons, among them the gradual accumulation of tensions and dissatisfactions, of increasing friction between social classes, and, more important perhaps than any of these, a growing knowledge of other peoples who are governed under different institutions.

We are all aware of what strange effects certain Russian political ideas have had on many contemporary American intellectuals; but we also hear something about astonishment and dissatisfaction aroused among Russian soldiers and officers by their glimpses of the western capitalist world. Therefore, Lyford Edwards, author of "The Natural History of Revolution," mentions a general increase in travel as one of the preliminary symptoms of a great social convulsion.

New theories affect politics

MOST important and most obscure of all is the effect of new speculative theories concerning the constitution of the universe and of the nature of man, although these may seem at first glance wholly unrelated to politics. Yet, beyond much doubt, there is some connection between the destruction of the hierarchical astronomy of the Middle Ages and the destruction of the feudal system, and between the new heliocentric theory and the doctrine of divine right. The name of Sun King (*Roi Soleil*), bestowed by his courtiers on Louis XIV, is in more than one sense an illuminating metaphor. The relationship between the mechanistic astronomy of Kepler and Newton and the political ideas of Locke, Jefferson and the founding fathers of the American Constitution has often been examined; but the influence of Freudian psychology and Einsteinian mathematics on Twentieth Century politics remains to be explored.

It is interesting to observe that

this relationship of philosophic ideas and revolution was recognized early in the reign of the Sun King, when the Bourbon monarchy appeared to be moving to the pinnacle of its grandeur and prestige.

"The art of opposition and of revolution," wrote Blaise Pascal about the middle of the Seventeenth Century, "is to unsettle established customs, sounding them to their source to point out their want of authority and justice. We must, it is said, go back to the fundamental laws of the state, which an unjust custom has abolished. It is a game certain to result in the loss of all; nothing will be just on the balance. Yet people readily lend their ears to such arguments. They shake off the yoke as soon as they recognize it; and the great profit by their ruin, and by that of these curious investigators of accepted customs."

Thus, it is never the people, however oppressed, who begin the social revolution. That is invariably the work of a particular and somewhat favored class which exists in every civilized society, but which is never more than a small minority; namely what we call nowadays the "intellectuals," that is to say, thinkers, scientists, clerics, writers, journalists and others who stand somewhat in the relation of teachers to the multitude.

"The great revolutions," wrote

the late Gustave Le Bon, a famous student of mass psychology, "have usually commenced from the top, not from the bottom."

The "platonian founder" of the French Revolution, according to Lord Acton, was no other than the saintly Fénelon. Although in his time the monarchy was still an object of almost universal reverence, Fénelon, as Acton says, "saw through the majestic hypocrisy of the court." He did not indeed wish the monarchy to be destroyed; he merely insisted that the moral judgments applied to private persons are also applicable to princes. This of course was an indirect but deadly blow at the doctrine that kings are responsible only to their consciences and to God.

As tutor to one of the grandsons of Louis XIV, Fénelon had firsthand opportunity to observe the corrupting effect of absolute power. His strictures, as satirically set forth in "Télémaque," were the first step in a process that the Jacobins of 1793 sought to pursue to its logical extreme. Louis XVI, as Acton tells us, perished "not because the power he had inherited . . . had been carried to excess, but because it had been discredited and undermined. One author of this discredit was Fénelon."

Now this Fénelon was a priest of great piety as well as of great wit, who afterwards became Bishop of

Cambray. This is a point of some interest, because in the two generations following him we find the French clergy, or at any rate the lesser clergy, among those who were most zealously promoting the new political ideas and opposition to the existing order. Most of the clergy, it is true, deserted the Revolution after the institution of the constitutional oath, which required them to renounce allegiance to the Pope, but long after that clerical names are prominent among the revolutionaries.

In the Puritan Revolution we find the attack on the royal prerogatives concurrent with an attack by countless preachers and pamphleteers on the pretensions of the English prelacy and the notion of apostolic succession. And everyone remembers the role of the free-thinking Russian intelligentsia in preparing the world for the Revolution of 1917.

Intellectuals initiate change

BOTH Mr. Edwards and Prof. Crane Brinton, who have separately undertaken to chart the progressive stages of the revolutionary process, agree that this defection of the intellectuals from the established order is the first unmistakable symptom of an approaching revolution. In times of social equilibrium most intellectuals, and the clergy in particular, tend to be supporters of existing institutions, or at any rate are not disposed to attack their theoretical bases. At such times, indeed, intellectuals in the main are not greatly concerned with politics, which may explain why such epochs are marked by higher achievements in art and letters. The art and literature of revolutionary epochs are invariably mediocre or worse. When the great majority of the literate become dissatisfied with the social order, politics becomes an almost exclusive preoccupation.

In Paris in 1786, for example, Thomas Jefferson found that politics was "the theme of all societies, male and female"; he was gratified to observe how the officers who had served with the French forces in America had returned with "new ideas and impressions," and how the new notions about the necessity of a government based on "reason, freedom and common rights" were becoming "matter of mode and as such united most of the young women to the revolutionary party."

Because the intellectuals, by the nature of their vocations, control



"Trying to get hold of that child at bedtime is a real battle of wits around here"

all the principal means of information and propaganda, they gradually communicate their loss of faith in the established order, and their desire for some new system, to all classes of the people, even to the rulers themselves.

Aristocrats aided French revolt

MOST of the French theorists and writers, who throughout the Eighteenth Century were discrediting the foundations of the *ancien régime*, were members of its aristocracy. Those who were not had become pets of the privileged class. We can find the counterparts of these revolutionary French aristocrats among the land-owning class of Russia. For that matter, it is not unusual in our own day to hear the Communist party line expounded by authors and lecturers for the admiration of prosperous and well-fed club women.

We must not ignore the part that pure boredom plays in the preparation of social revolutions. The French monarchy itself had deprived the French nobility of any real excuse for existence, and political theorizing or propagandizing was doubtless a pleasant diversion from profligacy. For many a rich American woman today a "cause" affords a more or less satisfying substitute for children.

To the factor of boredom we must add that of ambition, because revolutions, like wars, are great dice boards of personal destinies and reputations. To many men who were in no sense theorists or zealots, the French Revolution suddenly opened dazzling vistas of fame, wealth or power.

There was, even among the most highly placed, the desire to ride "the wave of the future," to make terms with history. The case of the duc d'Orléans, who called himself Philippe-Egalité, and who subsidized demagogues, courted the favor of the revolutionary clubs and voted the death of his kinsman, the king, is scarcely an isolated historical phenomenon. Finally there was the Parisian underworld of pimps, petty thieves, and perverts, coaxed by the Revolution into the full light of day and released from its normal fears and restraints.

From these, and from the smugglers and pirates of Marseilles, rather than from the sober poor, were recruited most of those murderous mobs which butchered prisoners and clowned with the corpses of their victims. Such an element exists, of course, in every civilization, and usually it plays a considerable role in the more violent

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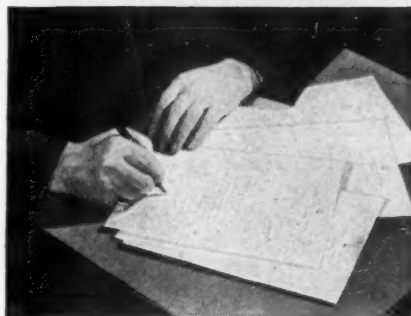


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phases of social revolution, because it is easily manipulated by demagogues and conspirators.

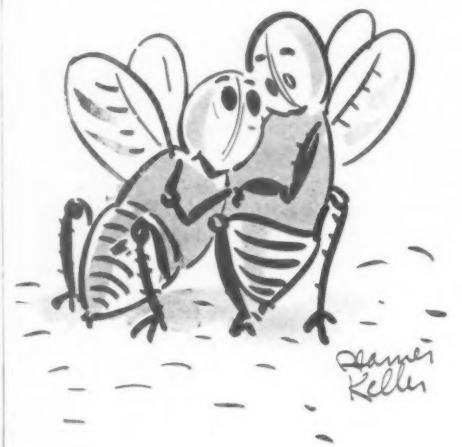
But the early effect of revolutionary doctrine and agitation on the great masses of people is merely one of increasing uneasiness and discontent. In France, says Le Bon, "all classes felt their old motives for action disappearing. Things that had seemed sacred for centuries were sacred no longer."

This perhaps accounts for the widespread increase in sexual license and in crimes of passion, which Mr. Edwards finds to be another symptom of approaching revolution. In any event, the discontent becomes decisive when it infects the army.

Panic and mob rule

AT a certain stage, however, this mood of uneasy discontent is abruptly followed by one of general panic; and it is this panic (*la grande peur*) that gives the terrorists the opportunity they have been awaiting. Thus the true historical significance of the fall of the Bastille is the fright and confusion that arose on all sides from the realization that no shred of authority any longer existed.

Within three months the King, roused at last from his complacent lethargy, was obliged to warn an Assembly, still narcotized by its own rhetorical formulas, that there were neither courts nor police, that he was wholly powerless to collect taxes, to insure the distribution of grain, or to protect the lives of citizens. The familiar and immemorial order of life had utterly vanished. There remained only a vacuum, into which the Assembly had nothing to place but a paper constitution and an eloquent declaration of the Rights of Man.



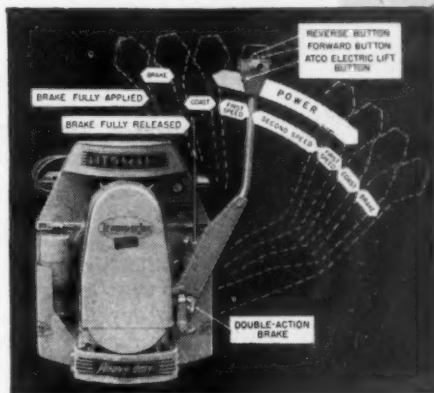
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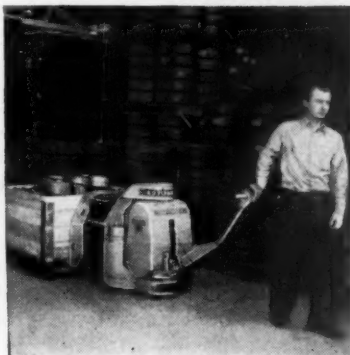
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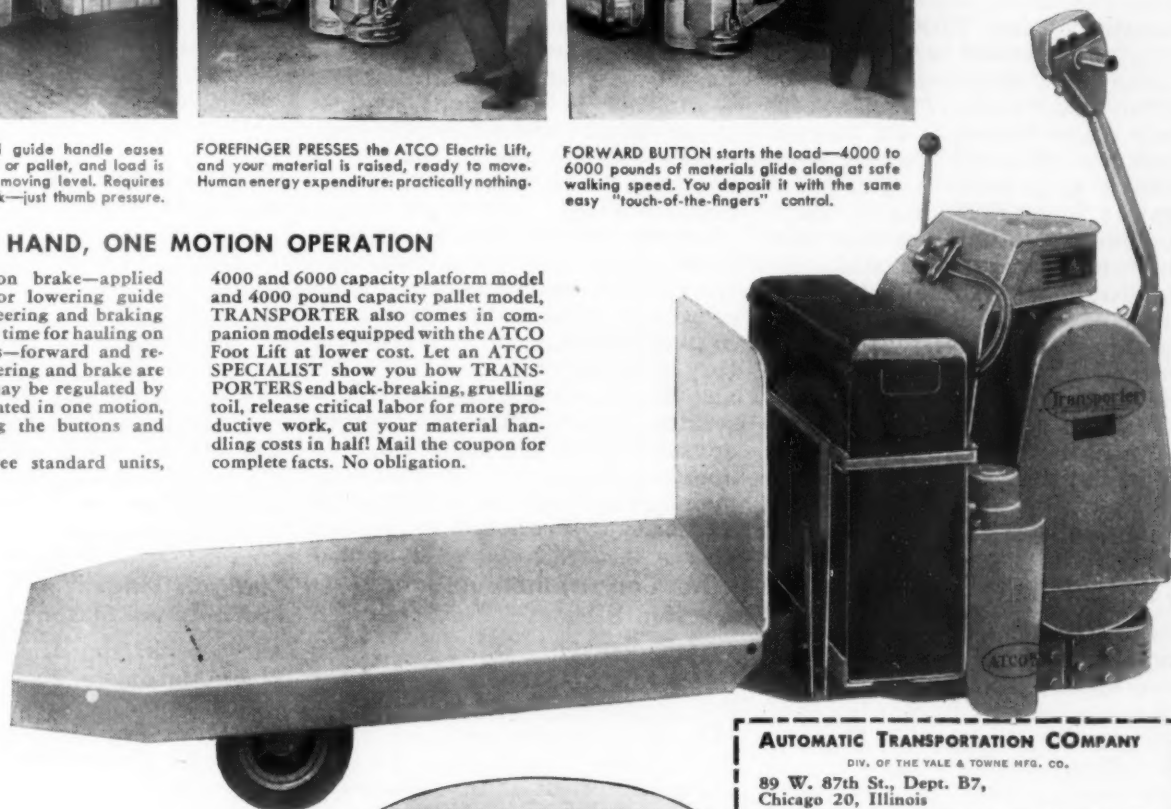
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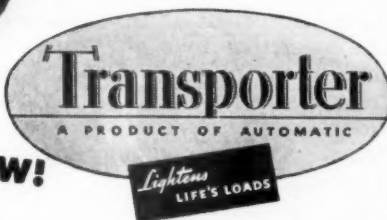
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Reading for Pleasure or Profit...

"The Art of Plain Talk"

By Rudolph Flesch

BUSINESS MEN who write letters and make speeches can profit from "The Art of Plain Talk" (Harper, 49 East 33rd Street, New York; \$2.50). This is a straightforward book on how to get your ideas across the bridge of language. Brief, entertaining, it reduces the problem to a few simple rules, which are easy to remember and priceless when applied.

Too many practical people waste hours trying to make themselves understood with "income tax prose"—or trying to understand it. "Under the then existing circumstances, it was affirmed by him with regard to the matter aforementioned, that his acceptance should be withheld." Such sentences as this slow the wheels of industry. "Plain Talk" would reduce the statement to "He said no."

Like a new broom among writers on English, Rudolph Flesch sweeps away many elaborate old rules of grammar (Why *not* end a sentence with a preposition?) He warns against Roget's Thesaurus, Basic English and other language aids which he claims spread confusion. Chinese, he says, is the world's best language, because it always follows the three rules of clarity: Use short sentences, personal subjects (to make plain *who* did *what*), and root words (say "end" instead of "termination," "pay" rather than "remuneration").

"The Natural History of Nonsense"

By Bergen Evans

IT SEEMS that toads do not cause warts, the races of mankind do not have special smells, and oysters are not poisonous in months that don't contain the letter R. This you learn from "The Natural History of Nonsense" (Knopf, 501 Madison Avenue, New York; \$3), a carefree, readable refutation of foolish beliefs and fables.

Bergen Evans unmasks an astounding number of superstitions which survive in a scientific age, including much lively nonsense people use to justify race prejudice.

Most amusing are the less familiar fancies, such as that chimpanzees carry torches at night, that alcoholics burst into flame from spontaneous combustion, and that a girl in Oklahoma hatched an octopus egg.

In refuting foolish notions, "The Natural History of Nonsense" brings up odd facts of exceptional interest. It has been shown that women are much better drivers than men, Cleopatra was the product of six generations of brother and sister marriages.

"Secret Missions"

By Captain Ellis M. Zacharias

SLOW POISONING by the Japanese and espionage in Washington apartment houses lend suspense to this story of a pioneer in Naval Intelligence. Captain Zacharias watched Japanese spies swarm into this country before the war—as students, fishermen and barbers—and led in the fight against them, despite official indifference.

After Pearl Harbor Zacharias hastened the war's end with broadcasts to Japan. "Secret Missions" (Putnam, 2 West 45th Street, New York; \$3.75) describes his adventures with the statesmen and secret agents of that country, adding significant details to the history of how war broke out. This is also the saga of our intelligence service, which Zacharias helped advance from its early days of amateur daring to the establishment of a National Intelligence Authority by President Truman.

"The Chrysanthemum and the Sword"

By Ruth Benedict

HERE is a full-length portrait of the Japanese. Ruth Benedict, a cultural anthropologist, describes their paradoxical habits—the suicides, the cruelties, the excessive politeness, the love of flowers—as parts in an integrated way of life. She gives us so deep and vivid an understanding of this alien world that we see our own more clearly by contrast.

No wonder the Japanese, as America's new foster children, seem

queer and unpredictable, when their basic assumptions differ so sharply from ours. Incredibly strict obligations regulate their lives—obligations to family, state, and every member of the rigid hierarchy, which are worked out in exact, complicated laws. A good Japanese will obey these rules to the letter and "keep his proper place." The individual is not encouraged, as in this country, to strike out for himself, and Japanese feel that Americans are lawless. To them, competition seems painful and improper.

Taking right and wrong on authority, these people have no need of what we call conscience. Our western feeling of guilt, too, is unknown to them; shame and social censure take its place. They have no concept of sin, and do not, like us, view the world as a battleground of good and evil. Instead, the conflicts in Japanese life are between different social obligations—when the complicated rules of behavior clash.

There is much pleasure and beauty, forbidden in our culture, which the Japanese are free to enjoy. But sorrows we never feel drive them to melancholy and suicide. In "The Chrysanthemum and the Sword" (Houghton Mifflin, 2 Park Street, Boston; \$3) the absorbing picture of their life broadens our view of the possibilities in human nature.

"Punch with Care"

By Phoebe Atwood Taylor

ASSEY MAYO is back on peace-ridden Cape Cod in Phoebe Atwood Taylor's "Punch with Care" (Farrar, Strauss, 580 5th Avenue, New York; \$2.50). In Mrs. Douglass' backyard Pullman he comes upon the extremely well-dressed corpse of a lady of national renown and, ignoring the police, solves her murder and its logical successor with lighthearted conversation. A spirited tale for cold winter nights.

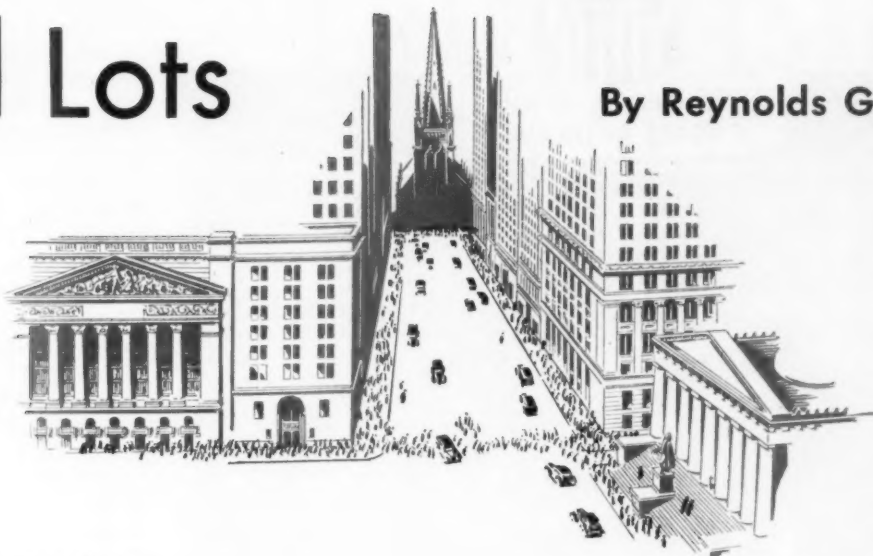
"Saigon Singer"

By Van Wyck Mason

ALSO back from the wars is Van Wyck Mason, to give us the first Major North adventure story in five years. The girls are as beautiful as ever. Ostensibly on safari for seladang, the Major serves G-2 by tracking down Philippine collaborationists through opium dens and high intrigue of the sultry Orient. "Saigon Singer" (Doubleday, 14 West 49th Street, New York; \$2.50) is a kind of uptown Terry and the Pirates, with wide appeal.—BART BARBER

Odd Lots

By Reynolds Girdler



Sez Who!

"GAMESTERS die poor, and there is certainly not one instance of a speculator who has lived a life creditable to himself or advantageous to the community." . . . Andrew Carnegie, as quoted recently in the *New York Times*.

". . . my business address, 111 Broadway; my occupation, investor and speculator." . . . Bernard M. Baruch, former U. S. representative to the United Nations Atomic Energy Commission, adviser to Presidents and foremost American patriot, in his testimony before the "Peace Leak" inquiry at Washington, January 30, 1917.

★ ★ ★ ★ ★

Well Stocked Clubs

LIKE women on a wartime nylon line, half of Wall Street is now dangling fretfully on the waiting lists of the better luncheon clubs. Having a club means a great deal to us. Just a few years ago these lists were wide open, and some clubs were even openly soliciting members. Of course, that was never true of the Downtown Association. Its members, like the old guard that never surrenders, never resign. Well, hardly ever. Membership in the Downtown Association is not only a mark of business distinction but also signifies that your social conduct, background and friends are beyond reproach and can be expected to remain so.

Tycoons big enough to tower above social considerations favor the Recess Club at 60 Broadway, which has the air of being reserved exclusively for the heads of big banks and even bigger companies. Then there's the Lunch Club at 63 Wall. Founded by close friends of Harry Morgan when they were all a bit younger, the Lunch Club re-

tains its accent on youth and its social flavor. The Broad Street, the City-Midday and one or two others whose interiors are as classical as anyone would want, exist more frankly for business purposes. They're doing all right too, thank you, as is the Bankers Club, sometimes snobbishly referred to as "the Wall Street Childs."

★ ★ ★ ★ ★

Required Reading

"I HAVEN'T heard that word in 400 years," said one of Wall Street's wags when the SEC first restored the term "prospectus" to the financial vocabulary. Up to then (circa 1933) you who bought our wares did so from a circular. This was usually a one, at most a four, page affair descriptive of the security. Wall Street had forgotten that, in the embryonic days of stock jobbing, the prospectus was in common use, and that a prospectus once described shares in a glittering venture of our founding fathers known as Plymouth Plantation.

Now the prospectus again agitates the stock and bond jobbers. For when the SEC reached into the forgotten past, it emerged with a document the like of which had never been seen. It was longer than an historical novel, detailed as a bureaucrat's dream, dull as a corporation lawyer's wit.

The Street was quick to spot its basic flaw. Its mass of relevant facts, often requiring two hours or more of concentrated reading, concealed rather than revealed. Grimly set on full disclosure, the SEC had buried the forest in the trees, hiding the essential information from the average man.

Moreover, practically under pain of death, the SEC forbade use of the prospectus until the very day of offering.

Some security men quaveringly suggested that the SEC was defeating its own purpose. But they were quickly stood in the corner. Then, as time wore on, the SEC relaxed somewhat, and it became possible for potential buyers to learn at least a little about a new issue in advance. And at the IBA convention in December, the SEC announced that a preliminary prospectus could be circulated in advance of an offering, and promised that this act would not be judged a solicitation.

So now this agreeable and sensible bit of legal fiction will be tried out for six months, and may become permanent if no "abuses" arise.

★ ★ ★ ★ ★

Songs and Funny Sayings

EVEN as you read this, the Street is getting ready for the Financial Writers' Show. Staid, sober bankers, brokers and assorted financial characters are busy fishing for invitations, hoping to see themselves lampooned. Equally staid, sober financial writers, the "boys" who daily cover the district for the big New York City dailies and the wire services, are beating their brains out writing skits, songs and blackouts.

Even though this affair was interrupted by the war, it has become an institution comparable to the Gridiron Dinner. Each year it attracts almost 1,000 leading figures from industry, commerce and finance to the Astor Hotel. There they sacrifice their stomachs to



**Forget about
weather reports**

The Weather
Weather map, weather in other cities, Page 6.
U. S. Weather Bureau.
Local — Heavy snow probably changing to sleet late Monday extending throughout state. High lower 30's. Low 20-25. Little temperature change Tuesday and continued mostly cloudy.

Temperatures
12:30 p. m. 29
7:30 p. m. 25

... my wife said that judging from the threatening predictions made by the weather man I had better postpone this trip. But I told her she could forget about weather reports... I had my space reserved on Union Pacific. One thing about train travel—you know you'll get there—and home again."

★ ★ ★

The man is right. And, furthermore, he'll be completely rested; in A-1 shape for business appointments.

For dependable, all-weather transportation, may we suggest... be specific—say "Union Pacific."

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broiled chicken and their reputations to the whims of financial writers. Year after year, the same motor magnates, rubber tycoons and capital-B bankers return for their rendezvous with the same, obstinate, durable birds, surely a tribute to the financial press.

The leading editors who cover Wall Street have been around long enough to have read the minutes of the last meeting. Hence few present foibles escape them. Jack Forrest, financial editor of the New York Times, has been writing finance since 1926, and wears with ease the mantle of his predecessor, the late, great Alexander Dana Noyes. He is a person of many aptitudes. An expert hunter and fisherman, he also turns out exquisite metal, wood and leather work (including book-binding) in his hobby basement, edits a campfire magazine on the side.

Norman Stabler has been running the *Herald Tribune's* financial page since 1928. Soft-voiced, quiet and scholarly, Stabler again this year will take leading parts in the show. Last year he wowed the audience with his impersonation of Truman, looking more like the President than Truman himself, and doing everything except play the piano.

★ ★ ★ ★ ★

Rallies

UNIONIZATION is beginning to make some headway in Wall Street. And this year it will continue to make news if not more progress. That seems a safe enough prediction. But our favorite broker is not dismayed. Attending a street rally to raise money for the United Hospitals, he said happily, "Well, this is getting a bigger and more willing crowd than the union meetings."

★ ★ ★ ★ ★

Spreads

LIKE business men everywhere at the moment, bankers and brokers are gnawing at the knotty problem of profit margins. As you well know, there's agitation for higher brokerage commissions. Few believe, however, that much will come of this effort. The opposition to current proposals is too stiff and the arguments in favor of present scales too impressive.

But the wafer-thin spreads on major underwritings will broaden. Hard facts will force them open. The facts are these: in the last period of active underwriting (1935-36) the average spread on American Telephone system bonds

was two points. That is, there was a \$20 profit margin on each \$1,000 bond between what the company received and what the ultimate investor paid. Thus in October, 1936, A.T. & T. received \$990 for each of its 3¼ per cent debentures due 1961. Investors paid \$1,010. Out of the \$20 spread came the commissions of the originators, the wholesalers and the retailers.

Then came the rise of competitive bidding, allowing any banking house that could form a suitable syndicate to grab at the other fellow's business. In the good markets of the last two years, when any security would sell easily, bidding grew bolder and bolder. Some firms fought to hold business, others to get it. On the last eight issues of the Telephone system, spreads averaged less than half a point, or less than \$5 per \$1,000 bond. How would you like to make an article that cost you \$995 and sell it at retail for \$1,000?

Well, the inevitable happened, as it always does. The market fell. Securities became less easy to sell. The great truth that underwriting carries risks that no half-point spread can protect again broke on the Street.

Now the profit margins are widening, will continue that trend at least until another active market arrives to blur men's memories and judgment.

★ ★ ★ ★ ★

Literary Intelligence

TO CELEBRATE the 150th birthday of Roosevelt & Son, one of the oldest investment firms in the United States, a book entitled "The Strenuous Life" has just been published. The book recounts the founding and accomplishments of the firm with which Oyster Bay Roosevelts have been associated since 1797. It leads off with a story that once had great currency in Wall Street.

According to the story, George Emlen Roosevelt was worried about some of the family's utility investments during the time that industry was under New Deal attack. He wrote one Franklin D. Roosevelt for advice, so the story goes, and received the reply, "You're the trustee." Thereupon the Oyster Bay Roosevelt sold the utility securities, invested the proceeds in government bonds, and wrote to the Hyde Park cousin, "Now you're the trustee."

The book recounts the story, and then deflates the anecdote by saying it never happened. Well, it was a good story while it lasted.

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On the Lighter Side of the Capital



Right from the bedside

OBSERVERS think—at least some do—that the 80th Congress will register the birth of a new era. They are convinced the birth will be caesarian.

"The level of ability is higher in the 80th than in any recent congress, the heat of convictions is hotter, and the knives are longer."

The man quoted came to Washington about the time Theodore Roosevelt began gritting his teeth in the White House. His argument is that a tough President—T. R. was tough—can hold all other men down to pica size. No one now remembers any big men who held office under him. Much the same effect can be produced by flooding the Capital with men who might grow big. They grind each other down and are cheapened by the unceasing output of government propaganda. That was FDR's technique. A nice, mild mannered little man like Truman—he thinks—is too conscientious to hold down the hard boys. He means too well. By the time he makes up his mind what he ought to do the hard boys are booting balls all over the field.

"The game is plumb out of control."

He plays it that way

MAYBE, said the oldtimer, Truman is playing it that way. Rayburn and Barkley and Taft and Vandenberg and the rest of the boys are running wild with their ambitions and plans. A congressman without some pretty fancy idea all his own is in a sad way. He might reflect upon the story of Greer Garrison's \$4,000 heifer.

"Why," asked the screen star of her farmer, "does she give no milk?"

"She needs freshenin'," said the farmer.

Truman is enjoying the luxury



of being himself. He had practically resigned himself to coasting during the remainder of his term. He had taken more words of advice than any other President known to man and tried to follow most of them. Then he lost his temper with John L. Lewis, possibly ruined that gentleman's future, and found himself in a better political position than before. He's tellin' 'em now and not listening so much.

Intangible as a fog

THE METEORIC rise of Clark Clifford is, in the opinion of some alarmed friends, a spotlight on the new Truman. No youngster ever had such an overwhelming build-up as Clifford. He came from nowhere politically, he is incredibly brilliant and impossibly handsome, he has no followers except the few who have grown close enough to call him "Cliff" since Truman favored him, and he is, if you believe what you hear, the author of the President's thoughts and the guide of his acts. All of which is bunk, in the opinion of the friends quoted:

"Useful and able, all right, but—"

What hurts them is that there is no White House team. There is, to hear them tell it, no discipline, coordination, sharing of intelligence or even warm friendship in the group of presidential assistants. All nice fellows, mind you, but like buckshot underfoot. No one sold any one of them to the President. The few that were sold to him have been reconverted.

It's "Haroun al Truman" now

WHEN John D. Goodloe was named to the Reconstruction Finance Corporation the friends were even more alarmed. He had been its general counsel. Then George Allen resigned as director and Goodloe stepped into his place.

"You know what?" asked the friends.

Goodloe had never had 15 minutes' experience in business before

he stepped into one of the world's greatest banking jobs. Nor had he more political power than an assistant matron of a girls' school. He was graduated from Yale, stopped over to visit friends in Washington on his way to his home in Kentucky, met somebody, got a job in the Government and has been rising ever since. No doubt his knowledge of RFC's affairs will be useful when the 80th Congress turns on the heat.

And up on The Hill

IT IS TRUE that the Republicans control both Houses of Congress. But the quotation from the noble ranchman in Wister's "The Virginian" comes to mind:

"When you say 'Control'—Smile!"

The Republicans are all headed in the same general direction, according to the professional observers. They are all so purified and well meaning that holiness rises from the dome of the Capitol like steam from a bog. So are the Democrats. The per capita output of sincere patriotism was never higher in Congress. But the 80th's agenda is filled with matters on which immediate agreement is improbable. Not only are the two party organizations likely to split but there are Democratic guerrillas who will certainly aid Republican night riders.



A run-through of perhapses

CONSIDER the labor situation. The recent election is accepted as proof that the people want Congress to put an end to whatever is wrong. There are in the neighborhood of three-score congressional ideas of what-to-do. Each is advanced by an earnest, heated, honest man. (The people who say that congressmen are not honest and earnest are either coccoo or full of prunes. So say the observers.) There is enough important debate in the labor situation alone to break practically every tie of friendship in both parties. If Taft of Ohio should not agree with Clarence Brown of Ohio—both full-bodied, well-voiced, convinced believers—but that is out of the question, of course. Only just supposin'.

That leads to this

THE LABOR wrangle will sooner or later get mixed up with the

FEPC—Fair Employment Practices. So comes the filibuster. So a party line or more is twitched. So the courtesy right to filibuster will be attacked and members in both Houses will be jumping up and down on both sides of the political aisle. The oldtimers who have what amounts to squatters' rights in the use of invective—both parties—will be challenged by the brash youngsters, some of them world war veterans. No one would name names but the mind's eye can plainly see many a grand old lip quiver. Also some old lips that may not be so grand. The budget is to be whittled down until the national financial statement ceases to resemble the sunset over the Rocky mountains. Only—

Non-partisan as measles

REPUBLICAN and Democratic members agree to this. In their individual and personal capacities.



If the budget does not even up with the national revenues, this country is as busted as some of the mourners say it is. But how about the demands of the veterans? They vote in both parties. No one denies that there are bureaucrats in places that in the old-fashioned, dollar-in dollar-out days would not support a sheep tick. But to cut down the number of bureaucratic desks, directives, objectives and salaries it will be necessary to pare appropriations to the throbbing quick. Every slash of the knife will cut a Republican as well as a Democrat. There is still in action—or was not long ago—some kind of a Spruce Lumber Authority that was born during the first World War and no member of which has smelled spruce for 28 years. Byrd (D.) and Taft (R.) have looked at it and screamed intermittently. But no other partisan eye—Republican or Democratic—ever saw it. A caesarian birth for the New Era, hey? Or maybe a twilight sleep.

The chiefs of confusion

EVERY ONE knows that few parts of the national Government ever consent to coordinate with any other part. The State Department is—so say the wise men—due for a cleaning. Its members not only body-check other departments but they pop off as individuals. The department not only manifests distaste for all the rest of the Gov-

ernment—including the White House—but sometimes it touches despair. An observer of sporting tastes is reminded of the man who came into his favorite barroom after a day at the Bowie races. A handkerchief was bound around his neck. The bartender asked:

"How much did you lose?"

The returned racegoer held up four fingers but did not speak.

"Gee," said the bartender. "If I'da lost \$400 I'd cut my throat."

The racegoer took the handkerchief down from his neck.

So what will happen?

SO THE State Department is due for an overhaul?

And, if that will be an uninterrupted chore by the presumably dominant party in Congress, then the moon is made of that fine old sharp American cheese which the OPA put out of circulation. The members of the State Department have friends on both sides of the line. Also it is a fruitful source of exclusive news stories for favored correspondents.

The suggestion is only that, when the gentlemen on The Hill begin to turn the heat on the S.D., a lot of eminent coattails may curl up under retaliatory fire.

It seems so sensible

EVEN the scientists in the Government cannot get together. Or so they say. They can split atoms



like kindling wood but several expensive organizations may be at work doing the same thing. Or trying to do it. The defense is that research is stepped

up when there is competition and that seems reasonable, but it costs a lot of money. No one really thinks that Congress will do anything about this. The scientific troops may be cut down automatically, because as fast as a young man gets to be good in his field some company hires him away from the Government. That really is not difficult. Even a scientist likes butter on his bread. Every one of the thousand-odd Nazi scientists we imported is assured of a good job in industry and still the demand for more scientists will not be satisfied.

Meanwhile any congressional attempt to make our researchers team up will be—well—difficult. Ever listen to a professor? But they all have votes and relatives.

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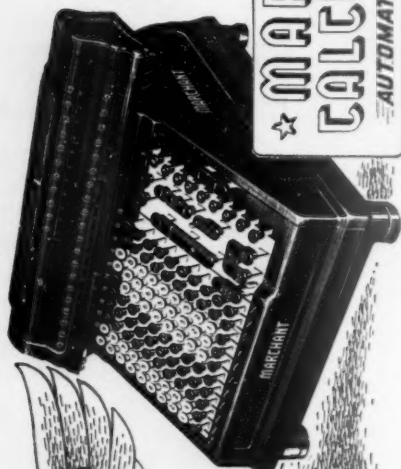
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